

USER MANUAL

UNIVERSITY OF NORTH CAROLINA

Semester Credit Hour Enrollment Change Funding Model



The University's enrollment funding model manual as attached is updated as of October 2010. However, readers should be aware that there is a current legislative study of the UNC Enrollment Funding Model as well as an effort underway through the Board of Governors to tie performance measures to funding for enrollment change. When those are completed, further updates to the enrollment funding model will be made. In the interim, the attached version should be used for projections.

October 2010

THE UNIVERSITY OF NORTH CAROLINA

Semester Credit Hour Enrollment Change Funding Model

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Chapter 1

Overview of UNC Funding Process and Purpose of the SCH Enrollment Change Funding Model Manual

Budget Entities

For state-level budgeting and fund accounting purposes, UNC operates through a collection of budget entities or budget codes. These budget entities can be categorized as follows:

- General University – the largest of the budget entities, which includes funds for the general operations of the 17 campuses;
- Health Affairs – the separate appropriations for the medical schools at ECU and UNC-CH and related units;
- Agriculture – the appropriations for the agricultural research service and the cooperative extension service; and
- General Administration – the funds to support the functions of the Board of Governors, General Administration and its affiliated institutions, and designated distributions of particular multi-campus funds to other divisions of the university.

While some aspects of the enrollment funding model apply generally to all budget entities, the formula-based component for enrollment change applies only to portions of the General University entity and to some portions of the Health Affairs entity.

General University Programs Not Funded through the SCH Enrollment Model

Within the General University budget entity, the budget requirements for certain activities continue to be based on individual programmatic justification and are thus off-formula. These include:

- organized research;
- public service; and
- self-funded activities

Please refer to Chapter 4 of this narrative for a fuller description of fundable and non-fundable semester credit hours on the SCH Enrollment Change Funding Model.

Appropriations Request Categories

North Carolina statutes [G.S. 116-11] require that the University budget request be submitted in three categories:

- continuing operations;
- salary increases for employees exempt from the State Personnel Act; and
- expansion and improvement requests, itemized as to priority and covering such areas as new programs and activities, expansions of programs and activities, increases to accommodate internal shifts and categories of persons served, capital improvements, improvements in levels of operation and increases to remedy deficiencies, as well as other areas.

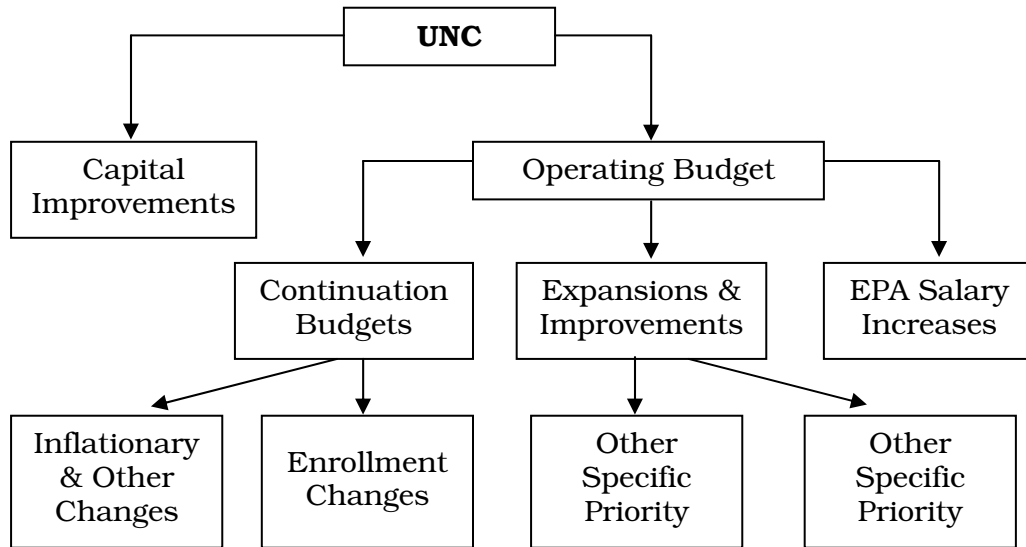
The continuing operations component starts with the current year appropriation for each university and then makes adjustments for funds needed to continue providing the same level and type of services. These adjustments might include recognition of price inflation since the last appropriation, personnel cost adjustments for support personnel according to statewide guidelines, annualization of costs that were previously funded for a partial year, and similar factors. General Statute 143-C-3-5(1) requires that the Director of the Budget recommend in the continuation budget the amount proposed to be funded for university enrollment changes.

Salary adjustments for faculty and other persons exempt from the State Personnel Act (EPA) are requested separately by the Board of Governors based on cost factors unique to these types of employees.

The expansion budget priorities typically include a variety of needs, such as equipment, information technology enhancements, new programs, and other items.

The purpose of the SCH enrollment change formula funding model is to provide the basis for determining the funding requirements related to enrollment growth for those courses/programs funded via the SCH formula. These calculations are then presented to the Governor and the Director of the Budget for consideration during the continuation budget process. Based on action of the 2006 General Assembly [General Statute 143-C-3-5(1)], the University's enrollment change request is part of the continuation budget.

EXHIBIT 1-1
SCH Enrollment Change Funding Formula in Relation
to the Overall UNC Funding Mechanism



Applicability of the SCH Funding Model

The SCH funding model is currently used to calculate requirements related to the regular term and distance education enrollment changes only.

*The SCH funding model is utilized only to request and allocate funds **to the institution**; it is **not** intended to prescribe the allocation of these funds within the institution's administrative structure.*

Student Credit Hour Enrollment Change Funding Model

The Student Credit Hour (SCH) Funding Model for Enrollment Change was developed as a mechanism to fund requirements based on projected **enrollment change**. The Board of Governors of the University of North Carolina adopted the SCH Funding Model for Enrollment Change on March 13, 1998. During its 1998 session, the General Assembly appropriated the 1998-99 budget for UNC based on the provisions of the new UNC comprehensive funding model, one component of which was the SCH Enrollment Change Funding Model.

Please refer to Appendix A, Definition of Terms, to clarify terms in this manual relative to the SCH Funding Model for Enrollment Change.

Historically, the focus of state support has been on instruction and related support programs during the regular term (i.e., the fall and spring semesters). The summer session has received limited state subsidy, and credit offered via distance education was treated mostly as a self-supporting activity prior to the 1998-99 fiscal year. In the 1998-99 budget request, funding for the existing base

of SCHs was requested for distance education; for the 1999-2001 biennium, the request for funding distance education credit was based on change SCHs.

Purpose of Manual

The purpose of this manual is to provide a general understanding of the SCH enrollment change funding model, describe how it is administered, and outline plans for how the model is to be kept current. Please note that the SCH model is applicable only to **projected changes in state fundable SCHs**.

While this manual will refer to other funding methods, it is not intended to be a definitive guide for these funding methods. For a definitive guide for reporting SCH courseload data, please refer to "Student Course File" and the "Course Description Table File Manuals" issued by the UNC General Administration's Institutional Research and Analysis division.

Layout of Manual

This manual is arranged in 10 chapters, which present the relevant information in a general fashion, with several appendices attached to provide additional details and clarification for readers for whom an overview is not sufficient. Additionally, the document referred to above, "Reporting Courseload Data," serves as a source of detail reporting requirements. These two documents will be updated as further refinements and/or changes are made.

Chapter 2

History of the SCH Enrollment Change Funding Model

History of the UNC Funding Model

When the University of North Carolina was established by the General Assembly in 1971, certain provisions of the enabling legislation prescribed the broad parameters for a UNC funding model. The current state-level funding process for UNC has existed since that time and remains largely unchanged by the SCH Enrollment Change Funding Model. Funding requests and appropriations are made for current operations in three broad categories [G.S. 116-11]:

- continuing operations;
- salary increases for employees exempt from the State Personnel Act; and
- expansions and improvements, as presented in the Board of Governors' budget priorities.

Recognizing the significance of higher education to the life and future of North Carolina, the 1993 session of the North Carolina General Assembly established a Legislative Study Commission on the Status of Education in the University of North Carolina. The Commission was directed to study these general issues:

- undergraduate education in the University of North Carolina;
- University funding issues; and
- University quality of education issues.

The Commission released its report on March 1, 1995, and noted its concerns about a number of findings related to University policies and procedures. During its 1995 session, the General Assembly responded to the recommendations of the Commission and other issues raised during legislative deliberations and, as a result, called for 17 separate studies to be conducted by the Board of Governors.

Two of the special studies that were required under Chapter 324 of the 1995 Session Laws (House Bill 229) related to the UNC funding methodology. One special provision called for an "equity of funding" study that would first consider the procedures used in the continuation and lump-sum expansion budgets and assess their impact on funding equity, and then lead to a proposal for a new funding model for UNC. The second study related to funding, termed the "Full-Time Equivalent Student (FTE)" Study, called for the Board of Governors to evaluate alternative methods for counting full-time-equivalent students -- one of the key building blocks used in developing the state budget for UNC. The language of these special provisions and additional relevant provisions is shown in **Exhibit 2-1**.

EXHIBIT 2-1
Special Provision Language

1995 Session – House Bill 229

EQUITY OF FUNDING (HB 229)

Sec. 15.3. The Commission on the Quality of Education in The University of North Carolina reported to the General Assembly that the funding system for appropriations to each campus for continuing operations, which constitutes the majority of General Fund support to higher education, is not based on identifiable criteria that are measurable or that allow comparisons of adequacy of funding among the 16 campuses.

The Board of Governors of The University of North Carolina shall review the equity of the continuation budget funding system, and the equity of its methods of distributing the lump-sum expansion funds appropriated by the General Assembly. The Board of Governors shall assess the criteria that should be used in deriving an equitable funding system, such as comparisons of funding at like institutions, such factors as size of student body, the cost of the programs offered by each campus, the level of the student body (lower division, upper division, graduate), the resources required to meet the early college needs of entering students based on their relative preparations for college success, and any other factors deemed by the Board of Governors to be relevant to assuring successful student outcomes. In carrying out this review, the Board of Governors shall consult with the Office of State Budget and Management.

After its review, the Board of Governors shall propose a system of funding to the General Assembly which uses identifiable criteria which are based on educationally and financially sound principles. If the Board of Governors recommends changes in the current funding system, it shall also propose a plan and schedule for moving to the recommended system. The Board of Governors shall report its progress to the Joint Legislative Education Oversight Committee by April 15, 1996, and shall report its final findings and recommendations to the Joint Legislative Education Oversight Committee and the House and Senate Appropriations Subcommittees on Education by November 15, 1996.

FULL-TIME EQUIVALENT STUDENTS (FTE)

Sec. 15.4. The Board of Governors of The University of North Carolina shall consider alternative approaches to funding University undergraduate and graduate enrollment, including the current funding of full-time equivalent students based on 12 semester hours annually for undergraduates, increasing this level to 15 semester hours annually, which would be consistent with graduating in four years, or funding the University on the basis of student credit hours rather than on full-time equivalent enrollment. The Board of Governors shall report its progress to the Joint Legislative Education Oversight Committee by April 15, 1996, and shall make its final recommendations regarding changes on enrollment funding to the Joint Legislative Education Oversight Committee and the House and Senate Appropriations Subcommittees on Education by November 15, 1996.

EXHIBIT 2-1 (continued)

EDUCATIONAL OPPORTUNITY

Sec. 15.5. The Board of Governors of The University of North Carolina shall consider different funding approaches to meeting the needs of an increasing pool of high school graduates, as well as adult learners unable to return to a university campus for additional education. Such methods as funding additional credit hours above the current levels for summer school and for off-campus degree programs on a basis more comparable to the current regular term funding, the application of distance learning technologies, collaboration with the community colleges and the private colleges in the State, and other possibilities should be explored by the Board. The study shall consider the increased utilization of campus facilities, and it shall consider the use of financial resources and financial incentives to provide additional higher education opportunities at off-campus locations. The Board of Governors shall recommend a plan to provide for additional educational opportunities in the summer and at off-campus locations across the State, including any funding mechanisms necessary to accomplish these goals.

The Board of Governors shall report its progress to the Joint Legislative Education Oversight Committee by January 31, 1996, and shall make a final report of its findings and recommendations to the Joint Legislative Education Oversight Committee and the House and Senate Appropriations Subcommittees on Education by April 15, 1996.

1997 Session – Senate Bill 352

FUNDING FOR OFF-CAMPUS AND DISTANCE LEARNING DEGREE-CREDIT EXTENSION INSTRUCTION

Section 10.3. The General Assembly has focused attention in recent sessions on increasing access and providing for additional enrollment in higher education. The 1995 Session Laws directed the Board of Governors of The University of North Carolina to "consider different funding approaches to meeting the needs of an increasing pool of high school graduates, as well as adult learners unable to return to a university campus for additional education." Among the methods the Board was directed to consider was funding for off-campus degree programs "on a basis more comparable to the current regular term funding." The Board recommended that "state-appropriated support for instruction be extended to all forms of regular term degree-credit instruction, whether it occurs on campus or off-campus, through traditional means or distance learning technologies." It stated that the funding mechanisms for implementing this recommendation would be addressed in the new funding model currently being developed. In a second report responding to legislative directives, the Board found evidence of deep and widespread desire for access to higher education throughout the State and reiterated the importance of funding comparable to that provided for regular-term instruction in order to meet these demands and provide an alternative means of delivering education to the large number of North Carolinians expected to seek higher education in the future.

The Board of Governors shall provide to the 1998 reconvened session of the General Assembly the cost estimates for funding off-campus and distance learning degree-credit extension instruction that is proportional to regular-term funding and shall recommend tuition rates that are comparable to the rates charged for regular-term instruction. The cost estimates shall be sufficient to provide for projected off-campus and distance learning enrollments in the 1998-99 fiscal year. These cost estimates request shall be provided to the Chairs of the House and Senate Appropriations Committees on Education and to the Chairs of the House and Senate Appropriations Committees by March 1, 1998.

In response to the 1995 special provisions, UNC undertook a multi-year funding equity study that was conducted in three phases:

- Phase 1 of the study, conducted from fall 1995 through spring 1996, identified the need for \$21 million in funding equity adjustments for five universities. Upon request of the Board of Governors, the General Assembly responded favorably with an additional state equity appropriation of \$21 million for the five affected institutions effective in the 97-98 FY.
- Phase 2 of the study, lasting from summer 1996 through spring 1997, focused on the development of a broad design for the UNC funding model.
- Phase 3 of the study, from summer 1997 through summer 1998, involved final calibration of funding rates, development of related policies and procedures, and final submission to the General Assembly.

At the same time that the General Assembly directed the Board of Governors to undertake the funding equity study, it also called for studies of summer and distance education that included both programmatic and financial issues. The general theme of the finance-related recommendations from both the summer and distance education studies was that the state should provide equitable funding support for all students (by program and level), regardless of when or where the instruction occurred. Separate sections of this user manual describe **current** methods of funding distance education and address some issues concerning summer school instruction.

During its 1998 session, the General Assembly appropriated the 1998-99 budget for UNC based on the provisions of the new UNC comprehensive funding model, one component of which was the SCH Enrollment Change Funding Model.

Guiding Principles in Creation of SCH Funding Model

At a kickoff meeting for the funding equity study with an invited group of chancellors, the need for a set of written principles for guiding the development of the SCH funding model was identified. Nine principles evolved over several months through consultation with numerous campus personnel and state budget staff.

As shown in **Exhibit 2-2**, the study principles served to highlight several potentially conflicting requirements, such as the desire for simplicity versus the need for equity or the value of being responsive versus the requirement to provide stability. The final principle recognized that a balance needed to be achieved among these principles for an effective funding model.

EXHIBIT 2-2
Guiding Principles for SCH Funding Model
University of North Carolina

Characteristics	Summary Description
Adequacy	The funding model serves to identify the funding level needed by each institution to achieve its goals and not be unduly influenced by average funding rates elsewhere.
Goal-Based	The model is used as a tool in implementing the broad goals of the state and its system of higher education.
Performance-Based	The model provides incentives for effectiveness and efficiency and does not provide any inappropriate incentives for institutional behavior.
Simplicity	Key participants in the state budget process understand how changes in institutional characteristics will affect funding levels under the model.
Equity	The model enables resources to be distributed in proportion to the relative need of each institution based on its size and mission characteristics.
Responsiveness	Funding levels provided under the model reflect changes in institutional workloads and mission as well as changing external conditions.
Stability	The model does not permit shifts in funding levels to occur more quickly than institutional managers can reasonably be expected to accommodate.
Validity & Reliability	The model relies on data that are appropriate for measuring differences in need and can be verified by third parties when necessary.
Balance	The model is based on a reasonable balance among the sometimes competing requirements of each of the criteria listed above.

Note: The principles are not listed in any particular order of importance.

These principles should serve as a continuing point of reference in future years as updates are contemplated for the funding model.

Revenue Domain for the SCH Funding Model

During the funding equity analysis, the concept of a “revenue domain” (i.e., identification of those revenues that are considered to be appropriate for inclusion in the equity analysis) was developed. The revenue domain for the equity analysis also served as a starting point for defining a revenue domain for the UNC funding model, and particularly for its SCH formula component.

Based on the language of the special provision that called for the equity of funding study (Chapter 324 of the 1995 Session Laws), the revenue domain was defined as those funds that are considered by the General Assembly during the appropriations process for the operating budget and, more particularly, that are available for “assuring successful student outcomes” in the universities.

Accordingly, the revenue domain for the funding model includes only state appropriations and tuition and, therefore, does not include private contributions and other discretionary funds. Thus, the revenue domain excludes:

- funding from any source for any entity that is not an accredited institution of higher education, e.g., the School of Science and Mathematics, the UNC-General Administration, UNC Center for Public Television, Area Health Education Centers, and the UNC Hospitals;
- funding at the universities from all sources other than from student tuition and state appropriations, e.g., the federal government, private sources, and self-supporting activities; and
- since the general definition specifies operating funds, the funding model also does not consider the appropriation and allocation of capital funds.

In addition, the revenue domain also excludes dedicated special purpose or special situation appropriations. The relationship between SCHs deemed fundable in the SCH model and the SCH model revenue domain should be consistent.

Board of Governors' Study of the Enrollment Funding Model

From September of 2003 through November of 2004, the UNC Board of Governors undertook a study of the UNC Enrollment Funding Model which made several minor adjustments in the model. Those changes are reflected in this revised version of the funding model manual.

Chapter 3

Description of the SCH Enrollment Change Funding Model

Overview of the SCH Funding Formula

The SCH formula for calculating the appropriations request for enrollment change contains five basic components:

- instructional salary costs (see more detail in **Chapter 8**);
- other academic costs within the academic units (see more detail in **Chapter 9**);
- library (see more detail in **Chapter 9**);
- general institutional support (GIS) (see more detail in **Chapter 9**); and
- calculation of the resulting expected tuition revenue and state appropriation request (see more detail in **Chapter 10**).

The SCH enrollment change formula is driven by the projected change in student credit hour (SCH) production as classified in a 12-cell funding matrix comprised of 4 areas of instruction and 3 levels of instruction. The areas of instruction are based on differences in the costs to deliver programs in the various disciplines. The specific disciplines included in each of the four instruction areas and how they were determined are detailed in **Chapter 5**.

The three levels of instruction are undergraduate, masters, and doctoral. These three levels are based on differences in the cost of instruction associated with average class size.

The instructional level assignments for student credit hours are based on the level of course instruction rather than the degree level of students receiving it—the former bearing a more direct relationship to cost factors than the latter.

Separate instructional position factors are provided for each of the 12 cells in the matrix and are used to determine the number of instructional positions required to support the projected level of SCHs. These instructional position factors are expressed in terms of the number of student credit hours per instructional position per academic year. The projected change in student credit hours by program category and level are divided by the corresponding instructional position factors to determine the change in instructional positions required. The projected change may be for either an increase or decrease in the number of instructional positions. Refer to **Chapter 6** “Instructional Position Factors” for further details.

At this point in the formula calculations, the basic number of faculty positions required for incremental enrollment growth has been determined. In addition, the Board of Governors has determined that certain special institutional missions and institutional service to special undergraduate populations require funding levels beyond those provided in the basic faculty positions. As a result, undergraduate cost factors have been developed to provide additional funding for four special situations. When applied, these factors result in higher numbers of instructional positions related to enrollment change. See **Chapter 7** for additional detail regarding undergraduate cost factors.

Once the overall number of new instructional positions is determined, this count is multiplied by an annual salary rate specific to each institution (see **Chapter 8**) in order to determine the change in instructional salary dollars required. The average annual salary rate used is the latest available.

The resulting instructional salary amount is then multiplied by a factor for “Other Academic Costs,” (see **Chapter 9**) which is designed to provide funds for fringe benefits for the instructional positions, support staff in the academic departments, and related instructional supplies and expenses. The resulting Total Academic Requirements is the base dollar amount to which additional factors for libraries and general institutional support are applied.

The funding requirements for both the library and General Institutional Support (GIS) components (see **Chapter 9**) are then calculated by multiplying the applicable rate by the Total Academic Requirements.

Exhibit 3-1 provides a schematic overview of the SCH enrollment change formula.

EXHIBIT 3-1
SCH Enrollment-Change Funding Model

Regular Term Request

Campus: **UNC-ABC**

Program Category	Student Credit Hours			SCH per Instructional Position			Instructional Positions Required		
	UG	Masters	Doctoral	UG	Masters	Doctoral	UG	Masters	Doctoral
Category I	4,515	729	0	708.64	169.52	115.56	6.371	4.300	0.000
Category II	6,030	484	8	535.74	303.93	110.16	11.255	1.592	0.073
Category III	2,118	288	0	406.24	186.23	109.86	5.214	1.546	0.000
Category IV	0	0	0	232.25	90.17	80.91	0.000	0.000	0.000
Total	12,663	1,501	8				22.840	7.438	0.073
	Total All SCHs		14,172				Subtotal Positions		30.351

% of Total 89.4% 10.6% 0.1%

Campus UG Cost Factor 10.0% 2.284
Total Positions Required 32.635
Instructional Salary Rate of Campus \$65,322
Instructional Salary Amount \$2,131,783
Other Academic Costs 44.89% \$956,957
Total Academic Requirements \$3,088,740

Library Rate 11.48%
Library Amount \$354,587

Gen'l Instit. Support Rate 54.05%
Neg. Adj't Factor: 50.00%
Gen'l Instit. Support Amount \$1,669,464

Total Requirements at UNC-ABC \$5,112,791

Calculation of Appropriation Request

Requirements Generated by SCH Model \$5,112,791

Tuition Revenue:	<u>FTE</u>	<u>Rate</u>	<u>FTE x Rate</u>
In-State U/G FTEs	321	1,821	584,541
Out-of-State U/G FTEs	97	11,263	1,092,511
Res per G.S. 116-143.6	10	1,821	18,210
In-State Grad FTEs	56	1,893	106,008
Out-of-State Grad FTEs	18	11,476	206,568
Total FTEs	502		

Total Expected Revenue 2,007,838

Request Amount \$3,104,953

In general, tuition revenues related to the SCHs being projected will be netted against the requirements (determined above) to yield a request for state appropriation. See **Chapter 10** for a more detailed explanation of revenue projections.

Future adjustments to the factors in the SCH funding model will be reviewed by UNC-GA staff and considered for recommendation to the Board of Governors on a periodic basis.

Partial Credit

In certain situations, partial credit hours for course work (0.5 SCH, 0.1 SCH, etc.) are considered appropriate. In reporting actual SCHs, campuses may award and record SCHs in increments of 0.1 SCH. However, SCHs in the funding model will be rounded at the level of the campus total in each cell in the matrix for both actual and projected SCHs. As a result, incremental changes in SCHs and corresponding funding request are made on whole SCHs.

Funding of New Academic Programs

As new academic programs are approved and implemented at the campuses, the SCH enrollment change model will provide incremental funding for them only as the enrollments are projected to materialize. Any start-up costs of the new academic program must be funded through internal reallocation or in the line-item request for new programs in the expansion budget.

Process for Funding Activities not on the SCH Funding Model

Some specialized instructional units remain on the old FTE-based funding model. That is, programs in medicine (ECU and UNC-CH), dentistry (UNC-CH), pharmacy (UNC-CH), veterinary medicine (NCSU), and law (UNC-CH and NCCU), as well as the UNCSA, will continue with the 1/4 FTE stair-step projections of enrollment change and the pre-1998-99 FTE funding model, which applies only to the regular term and does not encompass receipt-based SCHs generated via distance education instruction.

The aggregations of schools into a Health Affairs budget code at ECU and UNC-CH in the accounting and budgeting financial systems and chart of accounts will not be changed solely as a consequence of the different grouping applied for the enrollment change funding model.

All non-formula expansion items not related to SCH enrollment change funding will continue to be funded according to the traditional mechanisms. That is, funding for any growth in workload in these activities would need to be separately requested in the continuation or expansion budget processes.

Chapter 4

Summary for the UNC Student Credit Hour Enrollment Funding Model

In general, semester credit hours (SCHs) are fundable under the SCH model if they are derived from degree creditable instruction in the regular term or via distance learning instruction; SCHs are deemed non-fundable under the SCH model if they are funded via other state appropriations or tuition set to cover the full cost of instruction, or if the SCHs represent non-credit instruction. Please refer to "Student Course File" and the "Course Description Table File Manuals" issued by the UNC General Administration Institutional Research and Analysis Division.

SCHs deemed fundable by one criterion may be found ineligible based on other criteria. SCHs must meet all criteria for funding to be fundable, and may be deemed non-fundable based on failure to meet one or multiple criteria.

General Criteria for Fundability under the SCH Model

See Appendices for more specific information.

- Degree-creditable instruction OR remedial instruction offered by a UNC institution
- Delivered in the regular term OR as distance education
- Delivered to NC resident students within or outside NC OR delivered to non-resident students within NC

Lists of fundable and non-fundable SCHs are outlined below. In some cases, a general description of the type of instruction related to the SCHs is presented; in others, more specific guidance is given. Full details regarding the specific SCHs, their fundability, tuition treatment, and related issues are located later in this chapter.

General List of Fundable SCHs

- Regular term degree credit instruction delivered on campus or at off-campus resident credit centers
- Distance education degree credit instruction delivered to NC resident students, regardless of location
- Distance education degree credit instruction delivered to non-resident students within NC
- Remedial instruction offered by a UNC institution
- Thesis or dissertation only hours
- Repeated courses
- Degree credit instruction offered through inter-institutional consortia
- Degree credit instruction offered via electronic delivery
- Degree credit instruction for active duty members of the armed services while the member is abiding in NC incident to active duty military duty in NC (see GS 116-143.3 regarding the charging of tuition to these personnel)

- Degree credit instruction delivered on- or off-campus to co-habiting dependents of active duty military personnel
- Instruction delivered in Nursing, Allied Health, and Public Health
- Instruction delivered to students enrolled in NCSU's Agricultural Institute
- Instruction delivered to students claiming the age 65+ tuition waiver
- Instruction delivered to students claiming the nonresident special talent tuition waiver
- Instruction delivered to students claiming the nonresident North Carolina teachers tuition waiver
- Instruction delivered to students claiming the nonresident graduate assistants tuition waiver
- Instruction generated via balanced one-to-one foreign exchange programs in which the foreign student attends a UNC institution and pays tuition to the foreign institution
- Certain study abroad program SCHs
- Instruction to university employees where employee tuition waiver is NOT claimed

List of Non-Fundable SCHs

- Non-degree-credit instruction
- Certain instruction offered below the baccalaureate level
- Instruction to students auditing courses
- Instruction for zero-credit hours
- Instruction generating continuing education units (CEU's)
- On-campus instruction delivered during the summer term
- Distance education delivered outside NC to non-resident students
- Instruction to university employees where employee tuition waiver is claimed
- Transfer credit
- Credit by examination
- Advanced Placement credit
- International Baccalaureate credit
- College Level Entrance Placement credit
- College credit instruction delivered to high school students (at high school by high school teachers)
- Instruction delivered by the University of North Carolina School of the Arts*
- Instruction delivered in the following professional programs: Medicine, Veterinary Medicine, Dentistry, Pharmacy and Law (JD)*

**Please note that these programs are fundable on the FTE model for enrollment change.*

- Instruction which is funded via other state appropriations
- Instruction via the UNC-CH Independent and Self-Paced Studies program (correspondence)
- Instruction which is funded via a contractual agreement
- Instruction delivered under a program for which customized tuition is charged and Executive Programs with customized tuition: for example, Executive MBA program at UNC-CH; Executive MPA Program at NCCU; Transatlantic Program
- Instruction delivered via certain Study Abroad programs
- Instruction delivered via balanced one-to-one foreign exchange programs where the UNC student pays UNC tuition but attends a foreign institution
- Instruction delivered as part of a pilot site program
- SCHs delivered through the Math Science network
- High school students enrolled in special programs funded on the FTE model or funded by external sources

Narrative Description of Fundable (F) and Non-Fundable (NF) SCHs

The descriptions here are intended to identify in which cases SCHs are deemed fundable or non-fundable beginning in fiscal year 1999-2000. Note that some cases may be time-dependent.

The following sections of this chapter provide specific and detailed information concerning fundable and non-fundable SCHs and the institution by which they may or may not be claimed in funding counts. Also provided is detailed information concerning tuition implications not fully addressed here. Appendices A through D may also be useful to add clarity for specific situations.

In general, SCHs are fundable if they are derived from degree creditable instruction in the regular term (fall or spring semester) via on-campus or distance learning efforts. SCHs are deemed non-fundable if covered by other state appropriations, or if tuition is set to cover the full cost of instruction. Certain exceptions apply, and there are certain detailed reporting requirements with implications beyond funding.

SCHs may be considered fundable by one criterion and non-fundable by another criterion. In such cases, the SCHs will usually be considered non-fundable. That is, the criterion determining non-fundability governs the handling of SCHs unless specifically covered by an exception. SCHs may be deemed non-fundable by multiple criteria.

The categories listed below cover SCHs which are fundable via the SCH model (except when non-fundability policies govern) Topics discussed are shown for each item (codes in brackets refer to other appendices):

- **[F 1]** *Topics discussed:*
 - Degree Credit**
 - On-Campus**
 - Off-Campus**
 - Repeated Courses**
 - Regular Term On Campus**
 - Distance Education**
 - Summer School**
 - Remedial Instruction**

Degree Credit Instruction (SCHs) offered on-campus in the regular term **[A]** (fall and spring semesters--funded as regular term on-campus instruction) or offered off-campus via distance education **[A]** initiatives (funded as distance education), including those derived from students repeating courses are fundable on the SCH model. **[F]. Exception:** SCHs generated by students taking remedial instruction offered by UNC institutions are fundable, though they may not be degree creditable **[F]**. SCHs delivered off-campus during the summer months are fundable as distance education **[A]**. (Summer school SCHs are not fundable on the SCH model if delivered on-campus).

- **[F 2]** *Topics discussed:*
 - Nursing**
 - Allied Health**
 - Public Health**

SCHs generated in Nursing, Allied Health, and Public Health programs are fundable on the SCH model, including Nursing SCHs **[C]** supported by AHEC grant funds **[H]**.

- **[F 3]** *Topics discussed:*
 - 65+ Tuition Waiver**

SCHs generated by students claiming the age 65+ tuition waiver are fundable **[E]** on the SCH model.

- **[F 4]** *Topics discussed:*
 - Ag Institute**

SCHs generated by students in Ag. Institute courses at NCSU are fundable **[F]** on the SCH model.

- **[F 5]** *Topics discussed:*
Thesis & Dissertation Only

SCHs generated by students registering for thesis and dissertation only, and shown for credit are fundable **[F]** on the SCH model.

- **[F 6]** *Topics discussed:*
Off-campus Sites in NC

SCHs generated via off-campus instruction taken by resident and non-resident students at sites in NC are fundable **[I]** on the SCH model.

- **[F 7]** *Topics discussed:*
Off-campus Sites Outside NC

SCHs generated by NC resident students and taken at sites outside NC are fundable **[I]** on the SCH model.

Note also: **[NF 10]**

- **[F 8]** *Topics discussed:*
Foreign Exchange

SCHs generated via foreign students attending a UNC institution through a balanced one-to-one foreign exchange program and paying the foreign institution are fundable **[L]** on the SCH model in accordance with policy 400.1.5.

Note also: **[NF 13]**

- **[F 9]** *Topics discussed:*
Study Abroad

SCHs generated by students in Study Abroad Programs (not one-to-one balanced exchanges) are fundable on the SCH model for UNC students attending a foreign institution and paying UNC tuition, as are SCHs generated by foreign students attending a UNC institution and paying UNC tuition **[M]**. **Note:** Similarly, UNC students attending any other institution **[M]** **[B]** (UNC, NC private, or in another state or foreign country) and paying that institution generate no fundable SCHs at the UNC institution formerly attended (home institution). Such students are “transfers out” and their attendance at another institution is likely transparent and has no SCH funding implications to the home UNC institution.

Note also: **[NF 14]** **[NF 15]** **[NF 12]**

▪ **[F 10]** *Topics discussed:*
Inter-institutional Consortia

SCHs generated by students receiving instruction from an institution delivering the instruction via an inter-institutional consortium are fundable on the SCH model (for the institution delivering the instruction, but not the institution registering the student). **[O]**.

Note also: [NF 16]

▪ **[F 10a]** *Topics discussed:*
NC-Research and Education Network

SCHs generated by students receiving instruction via NC REN delivery are fundable on the SCH model to the institution registering the student (not necessarily the institution delivering the instruction). **[P]**.

Note also: [NF 16]

▪ **[F 11]** *Topics discussed:*
Electronic Delivery

SCHs generated by students registering for electronic delivery of instruction are fundable on the SCH model by the institution delivering the instruction. **[Q]**.

Note also: [NF 16]

▪ **[F 12]** *Topics discussed:*
Military Personnel
On-campus

SCHs delivered on-campus and generated by students serving in the military on active duty and stationed in NC are fundable on the SCH model (as regular term on-campus SCHs). **[E]**.

▪ **[F 13]** *Topics discussed:*
Military Personnel
Off-campus

SCHs delivered off-campus and generated by students serving in the military on active duty and stationed in NC are fundable on the SCH model (as distance education). **[E]**.

Note also: [NF 11a] [NF 7]

▪ **[F 14]** *Topics discussed:*
Co-habiting Dependents of Military Personnel

SCHs generated by students who are co-habiting dependents of military personnel on active duty and stationed in NC are fundable on the SCH model as regular term on-campus or distance learning instruction. **Note:** Resident tuition (regular term on-campus, distance education, or summer school tuition) is charged. **[E]**.

Note also: [F 1]

- **[F 15]** *Topics discussed:*
Concurrent Registration

SCHs generated by students concurrently registered at multiple institutions (separate acts of registration; not through consortia agreements) are fundable on the SCH model. **Note:** Registration may not be known by either of the other institutions or GA until after the fact. **[F]**

- **[F 16]** *Topics discussed:*
Graduate Centers

SCHs generated by students at graduate centers are fundable on the SCH model effective fiscal year 1999-2000. **[H]**

- **[F 18]** *Topics discussed:*

SCHs generated by university employees/faculty and staff of the University where the tuition waiver is not claimed are fundable on the SCH model.

Note also: **[NF 18]**

- **[F 19]** *Topics discussed:*
North Carolina Teachers

SCHs generated by nonresident North Carolina teachers where the tuition waiver **[E]** is claimed are fundable on the SCH model. Please note that the “waiver” is the difference between the out-of-state tuition rate and the in-state tuition rate. These students pay full in-state tuition.

- **[F 20]** *Topics discussed:*
Nonresident Special Talent Students

SCHs generated by nonresident students with special talents where the tuition waiver **[E]** is claimed are fundable on the SCH model. Please note that the “waiver” is the difference between the out-of-state tuition rate and the in-state tuition rate. These students pay full in-state tuition.

SCHs deemed non-fundable on the SCH model are listed below with topics discussed shown for each item:

- **[NF 1]** *Topics discussed:*
 - On-campus**
 - Off-campus**
 - Summer School**
 - Distance Learning**
 - Electronic Delivery**

SCHs generated on-campus via summer school instruction.

Note: On-campus instruction offered during the summer months **[F]** is counted as summer school, and is thus not fundable on the SCH model. SCHs generated on campus during the summer are not fundable on the SCH model. Distance education instruction **[D]** offered off-campus during the summer months is counted as distance education and is fundable on the SCH model **[A]**.

- **[NF 2]** *Topics discussed:*
 - Transfer Credit**
 - Credit by Exam**
 - Advanced Placement**
 - International Baccalaureate**
 - CLEP**
 - High School Courses**

SCHs taken by a student at another institution **[B]**, credit taken by exam **[B]**, Advanced Placement **[B]**, International Baccalaureate **[B]**, CLEP **[B]**, or a high school course offered at a high school by high school teachers **[B]** are not fundable on the SCH model.

- **[NF 2a]** *Topics discussed:*
 - UNCSA**

SCHs generated by students at the UNCSA are not fundable on the SCH model since the institution remains on the FTE model. Please note that these programs are fundable on the FTE model for enrollment change.

▪ **[NF 3]** *Topics discussed:*

Medicine

Vet. Medicine

Dentistry

Pharmacy

Law

Cross-registration with Graduate School

SCHs generated in courses in medicine **[C]**, veterinary medicine **[C]**, dentistry **[C]**, pharmacy **[C]**, and law (J.D.) **[C]** are not fundable on the SCH model since the programs remain on the FTE model. Please note that these programs are fundable on the FTE model for enrollment change.

Note: SCHs generated by students registering in these programs but taking courses that are otherwise deemed fundable (as in the graduate school) are fundable on the SCH model. SCHs generated by students registered in other instructional units (such as the graduate school) but taking coursework in one of these five programs (med., vet med., dent., pharm., and law-JD) are not deemed fundable on the SCH model. Thus, courses in these programs are non-fundable, and cross-registrations are considered a wash.

▪ **[NF 4]** *Topics discussed:*

University Employees

SCHs generated by employees/faculty and staff of the University where the tuition waiver **[E]** is claimed are not fundable on the SCH model. (SCHs generated by university employees/faculty and staff of the University where the tuition waiver is not claimed are fundable on the SCH model.)

▪ **[NF 5]** *Topics discussed:*

Not Degree Creditable

Below Baccalaureate Level

Audit

Zero Credit

CEUs

SCHs generated via students taking courses not degree creditable are not fundable on the SCH model. These include: non-degree instruction at below the baccalaureate level **[C]** (examples at UNC-CH), courses taken on an audit basis **[F]**, or for zero credit **[F]**, or as continuing education units (CEUs, etc.) **[F]**.

▪ **[NF 6]** *Topics discussed:*

Correspondence

SCHs generated in courses taken by correspondence **[F]** (Independent Studies at UNC-CH) are not fundable on the SCH model.

▪ **[NF 7]** *No longer applicable*

- **[NF 9] Topics discussed:**
Supplemental State Funding
Summer School
On-Campus
Electronic Delivery

SCHs generated via courses in programs receiving supplemental state funding through other state agencies and summer school courses are not fundable on the SCH model. **Note:** Courses offered through the Department of Corrections for instruction at correctional institutes **[J]**, or the Department of Public Instruction for instruction delivered at K-12 schools to K-12 teachers **[J]** are no longer classified as receiving supplemental state funding. These courses are classified as contract courses (see NF11).

- **[NF 10] Topics discussed:**
Off-campus Sites Outside NC

SCHs generated in courses taken outside NC by non-resident students are not fundable on the SCH model **[I]**.

Note also: **[F 7]**

- **[NF 11] Topics discussed:**
Contractual Agreement with 3RD Party

SCHs generated in courses where a UNC institution enters into a contractual agreement and **pays** a 3rd party **[J]** to provide instruction, or is **paid by** a 3rd party to provide instruction are not fundable on the SCH model. Examples are courses offered through the Department of Correction and through the Department of Public Instruction.

- **[NF 12] Topics discussed:**
Executive Programs
Transatlantic Program
Study Abroad
Customized Tuition

SCHs generated via courses in programs whose tuition has been customized by the institution (and GA notified) to cover the full cost of the course/program are not fundable on the SCH model. These programs include the Executive MBA program at UNC-CH, the Executive MPA program at NCCU, the Transatlantic Program at UNC-CH, and all Study Abroad Programs with customized tuition) **[K]**

Note also: **[NF 15] [NF 14] [F 9]**

- **[NF 13] Topics discussed:**
Foreign Exchanges

SCHs generated by a UNC student in a balanced one-to-one foreign exchange where the UNC student pays UNC institution tuition and attends a foreign institution **[L]** are not fundable on the SCH model for the UNC student. The UNC student is included in headcount enrollment.

Note also: **[F 8]**

- **[NF 14] Topics discussed:**
Study Abroad

SCHs generated in Study Abroad Programs (not balanced one-to-one exchanges) by UNC students attending a foreign institution and paying the foreign institution **[M]** are not fundable on the SCH model.

Note: Similarly, UNC students attending any other institution **[M] [B]** (UNC, NC private, or in another state or foreign country) and paying that institution generate no fundable SCHs at the UNC institution formerly attended (home institution). Such students are “transfers out” and their attendance at another institution is likely transparent and has no SCH funding implications to the home UNC institution.

Note also: **[NF 12] [NF 15] [F 9]**

- **[NF 15] Topics discussed:**
Study Abroad
Customized Tuition

SCHs generated by a student attending a foreign institution and paying customized UNC tuition **[M]** (designed to cover the cost of the course/program) are not fundable on the SCH model.

- **[NF 16] Topics discussed:**
Inter-institutional Consortia
Electronic Delivery – Site Only

SCHs generated in inter-institutional consortia via arrangements in which an institution registers the student but does not deliver the instruction **[O]** (as is true in most consortia arrangements) or where an institution provides only the site for the receipt of electronic instruction **[P]** are not fundable on the SCH model.

Note also: **[F 10] [F 10a] [F 11]**

- **[NF 17] Topics discussed:**
Pilot Programs

SCHs generated in courses offered at pilot sites in specially funded programs are not fundable on the SCH model. Examples are Summer Term Pilot Programs and Academic Summer Bridge Programs.

▪ **[NF 18]** *Topics discussed:*
University Employees

(SCHs generated by employees/faculty and staff of the University where the tuition waiver **[E]** is claimed are not fundable on the SCH model.)

Note also: [F 18]

▪ **NF 19]** *Topics discussed:*
High School Students

SCHs generated by high school students enrolled in special programs funded on the FTE model or funded by external sources are not fundable on the SCH model. Such programs include:

Early College High School Programs
Learn and Earn Programs
High School Students at the UNC School of the Arts*
High Schools Students at the NC School for Science & Mathematics*

Please note that the programs marked with an asterisk (*) are fundable on the FTE model for enrollment change.

SCHs generated by high school students enrolled in Early College High School and Learn and Earn programs are funded through other mechanisms, and are not fundable on the University's funding model for enrollment change.

Chapter 5

Instructional Areas and Levels

Instructional Areas

The SCH enrollment change formula groups instruction into four broad instructional areas based on the relative cost of instruction at the discipline level ranging from low to very high. The disciplines (represented as classification of instructional programs or CIP codes developed by the U.S. Department of Education) offered by UNC campuses are assigned into to one of the four areas of instruction based on an analysis of national instructional cost data and are shown in Exhibit 5-1 below.

EXHIBIT 5-1

Areas of Instruction

Category I	CIP	Description
	09	Communications & Journalism
	23	English
	27	Mathematics
	38	Philosophy & Religion
	42	Psychology
	43	Corrections & Criminal Justice
	45	Social Sciences
	54	History
	90	Other
Category II	05	Area, Ethnic, Cultural & Gender Studies
	13	Education *
	16	Foreign Languages, Literatures, & Linguistics
	19	Family & Consumer Sciences
	24	Liberal Arts & Sciences, Humanities
	30	Multi/Interdisciplinary Studies
	31	Parks, Recreation, Leisure & Fitness
	52	Business, Management, & Marketing
Category III	01	Agriculture
	03	Natural Resources & Conservation
	04	Architecture
	11	Computer & Information Sciences
	15	Engineering-related Technologies
	25	Library Science
	26	Biological Sciences
	40	Physical Sciences
	44	Public Administration & Services
	50	Visual & Performing Arts
	51	Health Professions
Category IV	14	Engineering
	66	Nursing

* Based on Board of Governors' action, student credit hours for student teaching in Education are placed in Category III for all campuses. Information on student teaching courses are provided annually to the Associate Vice President of University-School Programs by each institution's Dean of the School of Education.

The principal reference source for the national cost data was the annual “National Study of Instructional Costs and Productivity by Academic Discipline,” conducted by Michael Middaugh at the University of Delaware (also called the Delaware Study). This report draws on data from approximately 190 universities and colleges across the nation. All UNC post-secondary institutions with the exception of the UNCSA participate in the study. Every six years, UNC-GA will review updated cost data and will recalibrate the disciplines into instructional areas when appropriate as recommended by the UNC Board of Governors (BOG Report “Recommendations of the Special Committee Reviewing the Funding Model for Enrollment Growth,” November 12, 2004).

Instructional Levels

Furthermore the, SCH enrollment change formula distributes instructional area by instructional level, thereby producing a 12-cell matrix used for budgeting enrollment growth. The three instructional levels are:

- Undergraduate – SCHs produced in courses considered by the institution to be designed for students at the undergraduate level.
- Master’s – SCHs produced in courses considered by the institution to be designed for students at the beginning graduate level.
- Doctoral – SCHs produced in courses considered by the institution to be designed for students at the doctoral level.

It is important to note that the level designation is based on the course level and not the student level. That is, a doctoral candidate enrolled in an undergraduate course generates undergraduate SCHs rather than doctoral SCHs for funding purposes. Likewise, an undergraduate student enrolled in a master’s course generates master’s level SCHs for funding purposes. The design of the SCH enrollment change formula does not require undergraduate SCHs to be disaggregated into upper and lower divisions.

Responsibility for Area/Level and Term Assignments

Assignment of SCHs to the three instructional levels of the enrollment change formula matrix (undergraduate, master’s and doctoral) is determined by campus officials in consultation with UNC-GA. As noted above, assignments are based on the level of instruction rather than the level of the student. No system-wide standard of course labeling or numbering is being proposed at this time.

Assignment of SCHs to areas of instruction also is the responsibility of campus officials in consultation with UNC-GA. The assignments should be based on the departments/faculty in which the instruction is being provided. Assignments should mimic the assignment of SCHs reported to the Delaware Study. Areas of instruction are determined by two-digit CIP designations on each course reported by the institutions.

Campuses assume responsibility for correct assignment of courses to the appropriate regular session term (both fall and spring), the various segments summer term instruction, and instruction delivered via distance education. SCHs delivered off-campus are counted as distance education, regardless of the sponsoring office or department, and may occur during the fall, spring, or summer. SCHs delivered on-campus are either regular term or summer term, depending on when offered.

The reporting instructions for course instructional level and two-digit CIP discipline can be found in the Course Description Table File (CDTF) manual maintained by the Division of Institutional Research and Analysis at UNC-GA. Care should be taken to assure accuracy and stability in data collection requirements and efforts.

Audits of SCH Enrollment Data

The staff of UNC General Administration will periodically review SCHs reported by the campuses for accuracy, consistency within and across campuses, and fundability. Reviews will include consideration of the appropriateness of instructional area and level assignments as submitted by the campuses. The edits of Student Course File (SCF) and Course Description Table File (CDTF) received by the Division of Institutional Research and Analysis at UNC-GA after file submission will be reviewed for substantial changes in SCHs by instructional area and level. Furthermore, edits will also be reviewed for changes in course instructional area and level.

Chapter 6

Instructional Position Factors

Purpose

The numbers of SCHs per instructional position in each of the 12 cells of the funding matrix are key elements in the enrollment change formula for recognizing the differences in the relative cost of providing instruction at different instructional levels and in different instructional areas. One important aspect of these cost differences is the class size differences that exist across disciplines and levels. Generally speaking, the larger overall numbers of undergraduate students permit larger class sizes at the undergraduate level than at the two graduate funding levels.

A single 12-cell matrix of SCH/instructional position factors is applied system-wide for the regular term and distance education instruction. (Differences between distance education and regular term funding occur only in definitions of fundable SCHs and in the presence or absence of undergraduate funding factors (see **Chapter 7**).

Derivation of Factors

During fiscal year 1997-98, the UNC General Administration developed the instructional position factors which were used in the funding model for the 1998-99 expansion budget request. In 2005, the instructional position factors were re-examined with more recent data from the 2002-03 and 2003-04 National Study of Instructional Cost and Productivity to reflect changes in instructional costs from the original matrix. A multi-step process was followed in the derivation of these factors. The following is brief description of each of the steps involved:

- The **first step** is to place disciplines into instructional areas and is described in Chapter 5 of this manual.
- The **second step** provides a weighted average cost per SCH for each of the CIP disciplines. The weighted average cost for each CIP discipline is calculated by multiplying the number of fundable UNC SCHs by the national cost of instruction associated with Carnegie Classification.

EXHIBIT 6-1
University-Wide Weighted Cost per SCH by Discipline Example
UNC Enrollment Change Funding Model

CIP	UNC Institution	Carnegie Category	Cost/SCHs	UNC Fundable SCHs	Percentage of SCHs per CIP	\$/SCHs * % SCHs	UNC System Weighted Average
18	UNC-B	Research Extensive	\$125.00	75	18.8%	\$23.44	
	UNC-X	Research Intensive	125.00	125	31.3%	39.06	
	UNC-Y	Master's	75.00	50	12.5%	9.38	
	HSU-Z	Baccalaureate	75.00	150	37.5%	\$28.13	
		Total		400			\$100.00

- The **third step** provides a weighted average cost per SCH for each of the cost categories. The weighted average cost for each instructional area is calculated by multiplying the average weighted cost of instruction (calculated in **second step**) with percentage of fundable UNC SCHs per CIP discipline.

EXHIBIT 6-2
University-Wide Weighted Cost per SCH by Instructional Area Example
UNC Enrollment Change Funding Model

CIP	Instructional Area	Total UNC Fundable SCHs	% UNC SCHs in Area (A)	UNC Weighted System Avg. (B)	A * B	Instructional Area Average
07	3	400	50.0%	\$106.00	\$53.00	
18	3	400	50.0%	100.00	50.00	
	Total	800				\$103.00

- The **fourth step** provides a weighted cost per SCH by instructional level by using the mean class size to calculate relative ratios. The cost per SCH calculated from the **first step** used the total cost of instruction divided by the sum of annual undergraduate SCHs and annual graduate SCHs. The class size ratio provides a way of benchmarking the higher cost in graduate education and to provide an offset to the disproportionality in the bi-level distribution of SCHs in the cost per SCH calculated in the **first step**.

EXHIBIT 6-3
Class Size Ratios Example
UNC Enrollment Change Funding Model

	Cat. 4	Cat. 3	Cat. 2	Cat. 1
UG Mean SCH Class Size	600	600	600	300
Master's Mean SCH Class Size	150	150	150	75
Doctoral Mean SCH Class Size	50	50	50	25
Calculation Step: UG	600/600	600/600	600/600	300/300
Calculation Step: Master's	600/150	600/150	600/150	300/75
Calculation Step: Doctoral	600/50	600/50	600/50	300/25
UG Class Size Ratio	1	1	1	1
Master's Class Size Ratio	4	4	4	4
Doctoral Class Size Ratio	12	12	12	12
UG Mean SCH Class Size	600	600	600	300

- The **fifth step** uses the class ratios to determine the relative value of cost per SCH by multiplying the ratios for each instructional level within the category to the cost per SCH for the instructional area. This is repeated for all four cost categories.

EXHIBIT 6-4
Relative Value of Cost per SCH Example
UNC Enrollment Change Funding Model

	Cat. 4	Cat. 3	Cat. 2	Cat. 1
Cost Category Average	\$ 137.50	\$ 103.00	\$ 101.00	\$ 78.00
UG Class Size Ratio	1	1	1	1
Master's Class Size Ratio	4	4	4	4
Doctoral Class Size Ratio	12	12	12	12
UG Relative Value/SCH	\$ 137.50	\$ 103.00	\$ 101.00	\$ 78.00
Master's Relative Value/SCH	550.00	412.00	404.00	312.00
Doctoral Relative Value/SCH	1,650.00	1,236.00	1,212.00	937.00

- The **sixth step** indexes the instructional costs to the lowest cost by dividing the relative value of cost per SCH calculated in the **fifth step** for each level and instructional area by the relative value of cost per SCH for the undergraduate level in the low instructional area (category 1) also calculated in the **fifth step**.

EXHIBIT 6-5
Index Relative Value of Cost per SCH Example
UNC Enrollment Change Funding Model

	Cat. 4	Cat. 3	Cat. 2	Cat. 1
UG Calculations	\$ 137.50/78	\$ 103.00/78	\$ 101.00/78	\$ 78.00/78
Master's Calculations	550.00/78	412.00/78	404.00/78	312.00/78
Doctoral Calculations	1,650.00/78	1,236.00/78	1,212.00/78	937.00/78
Index UG Relative Value/SCH	\$ 1.76	\$ 1.32	\$ 1.29	\$ 1.00
Index Master's Relative Value/SCH	7.05	5.28	5.18	4.00
Index Doctoral Relative Value/SCH	21.15	15.85	15.54	12.00

- The **seventh step** calibrates the actual SCHs by multiplying them to the index values, The sum of the calibrated SCHs are divided by the number of budgeted faculty positions to determine the instructional position factor for the low cost (category 1) undergraduate category.

EXHIBIT 6-6
Calibration of SCHs Example
UNC Enrollment Change Funding Model

	Cat. 4	Cat. 3	Cat. 2	Cat. 1
UG SCHs	600	600	600	300
Master's SCHs	150	150	150	75
Doctoral SCHs	50	50	50	25
Calculation Step: UG	600*1.76	600*1.32	600*1.29	300*1.00
Calculation Step: Master's	150*7.05	150*5.28	150*5.18	75*4.00
Calculation Step: Doctoral	50*21.15	50*15.85	50*15.54	25*12.00
Calibrated UG SCHs	1057.69	792.31	776.92	300.00
Calibrated Master's SCHs	1057.69	792.31	776.92	300.00
Calibrated Doctoral SCHs	1057.69	792.31	776.92	300.00
Total Calibrated SCHs				8780.77
Budgeted FTE Faculty				20.00
Calibrated SCHs/Budgeted FTE Faculty				439.04

- The **eighth step** is to produce the remaining second twelve cells (instruction position factors) by dividing position factor, calculated in the **seventh step**, by the index value per SCH by instructional area and level.

EXHIBIT 6-7
Producing Productivity Example
UNC Enrollment Change Funding Model

	Cat. 4	Cat. 3	Cat. 2	Cat. 1
UG Calculations	439.04/1.76	439.04/1.32	439.04/1.29	439.04/1.00
Master's Calculations	439.04/7.05	439.04/5.28	439.04/5.18	439.04/4.00
Doctoral Calculations	439.04/21.15	439.04/15.85	439.04/15.54	439.04/12.00
UG SCHs needed for faculty position	249.05	332.48	339.06	439.04
Master's SCHs needed for faculty position	62.26	83.12	84.76	109.76
Doctoral SCHs needed for faculty position	20.75	27.71	28.25	36.59

- The current instructional position factors are illustrated in Exhibit 6-8. The range of cost relationships between the lowest and highest cost cells is consistent with the range found in funding formulas used in other states. Refer to Appendix C for detailed information regarding the derivation of the current instructional position factors.

EXHIBIT 6-8
Current Instructional Position Factors
UNC Enrollment Change Funding Model

SCHs per Instructional Position

Instructional Area	Undergraduate	Masters	Doctoral
I	708.64	169.52	115.56
II	535.74	303.93	110.16
III	406.24	186.23	109.86
IV	232.25	90.17	80.91

Note: data rounded to hundredths here.

Plans for Continued Refinement

Every six years, the instructional position factors will be reviewed by the UNC General Administration staff for continuing validity and will be recalibrated based on updated cost data when appropriate as recommended by the UNC Board of Governors (BOG Report "Recommendations of the Special Committee Reviewing the Funding Model for Enrollment Growth," November 12, 2004).

Chapter 7

Undergraduate Cost Factors

Purpose

The Board of Governors has determined that certain special institutional missions and institutional service to special undergraduate populations require funding levels beyond those provided by the basic factors in the SCH enrollment change funding formula. Accordingly, the model has been designed to provide recognition of the additional funding requirements for four special situations:

- Service to disadvantaged student populations – 5%;
- Institutions with non-doctoral missions – 10%;
- Diseconomies of scale experienced by small institutions – 5%;
- and
- Special mission as a public liberal arts institution for undergraduates – 10%.

A given institution may qualify for one or more of these special funding factors. These criteria were reviewed and updated by the Board of Governors study in 2004. The eligibility criteria and process for funding in these four special situations are outlined in the sections that follow.

Service to Disadvantaged Students

The Board of Governors seeks to provide access to higher education to all citizens of the state who can benefit from collegiate instruction. Historically, however, certain segments of the population have not been served as successfully as others without additional costs. In particular, potential students from rural areas and from families with comparatively low-income levels have not enrolled in UNC in numbers proportional to their representation in the overall population. Therefore, the Board has chosen to recognize the additional cost of reaching out to these disadvantaged populations and to adequately fund those campuses that enroll a disproportionate share of such students.

The Board of Governors directs General Administration to annually calculate the percentage of resident undergraduate Pell Grant recipients (headcount) at each institution. A cost factor at 5% will apply to new enrollment growth at those institutions for which more than one-third of the resident undergraduate students are Pell Grant recipients.

Non-Doctoral Mission

The Board of Governors stipulates that a 10% cost factor should apply for each campus that does not have a doctoral research mission. The Board of Governors has established standard course loads for UNC institutions based on Carnegie Classification. These course load standards require research universities to have

an annual course load of 4 - 5 courses per FTE instructional faculty; however, the Master's comprehensives and Baccalaureate institutions have a higher annual course load of 6-8 courses per FTE instructional faculty. In order to achieve this goal, a 10% increase in the number of undergraduate faculty teaching positions in institutions with higher course load requirements (Master's comprehensives and Baccalaureate institutions) will be provided.

Diseconomies of Scale

Larger organizations can often perform their work at a lower per-unit cost than can smaller organizations. The Board of Governors believes that this phenomenon applies to UNC institutions and has chosen to request additional support to those smaller institutions that have not yet fully realized economies of scale in their operations.

An enrollment threshold of 6000 students (headcount) was used to determine institutional eligibility for this funding supplement. The supplement is calculated in the formula as a 5 percent add-on to the number of calculated instructional positions.

Liberal Arts Mission

UNC-A has been granted the special distinction of being the state's "public liberal arts college." To distinguish itself from other baccalaureate campuses in the UNC system, UNC-A is expected to maintain the lower student to faculty ratios and the type of programming more typically found in private liberal arts colleges.

To recognize this special mission, formula calculations for UNC-A include an add-on step after the base number of instructional positions is determined. The formula-calculated number of "positions required" for regular term undergraduate instruction will be increased by a factor of 10% to reflect its distinct Liberal Arts I status.

Use of Undergraduate Cost Factors

As seen in **Exhibit 3-1**, campus undergraduate cost factors are applied to the number of faculty positions generated by the model and thus become part of the calculation of total academic costs.

Process for Determining Eligibility

The eligibility criteria and special undergraduate cost factors will be reviewed by UNC-GA staff periodically to assess their continued appropriateness. The criteria determining eligibility may be redefined to reflect changing conditions on the availability of additional or more current data.

Chapter 8

Instructional Salary Amount

Role of the Instructional Salary Amount in the Funding Model

The instructional salary amount plays a key role in the calculation of instructional costs in enrollment changes. It is the initial calculation in the series of formula calculations where workload measures are transformed into dollar requirements.

The salary component is the product of (1) the number of full-time equivalent (FTE) faculty teaching positions derived from the calculations in the 12-cell matrix multiplied by (2) the budgeted average teaching salary.

Budgeted Average Teaching Salary

The budgeted average teaching salary is derived from two values originating in each institution's continuation (or base) budget: (1) the budgeted salaries in the instructional teaching line, and, (2) the number of budgeted full-time equivalent teaching positions supported by the budgeted salaries. The budgeted average teaching salary is calculated by dividing the budgeted salaries by the number of budgeted FTE teaching positions. These values represent the resource base appropriated by the NC General Assembly.

Presently, each institution has a unique budgeted average teaching salary. Accordingly, a separate budgeted average teaching salary for instructional positions is identified in the formula calculations for each institution. The budgeted average teaching salary for each institution is updated annually to reflect the most recently available data.

The enrollment change model calculates, among other things, the number of new teaching positions required and values those positions based on presently authorized resource levels. Funding for University-wide faculty salary increases (e.g. merit, cost-of-living, 80th percentile, etc) are addressed through the BOG's request for academic salary increases as part of the Board of Governor's Expansion Budget Priorities.

Chapter 9

Other Instructional Costs, Library Costs, and General Institutional Support Costs (GIS)

Other Instructional Costs

The previous steps in the SCH funding model determine the number of teaching positions required for the projected enrollment change and the direct salary costs related to those positions. However, the salaries of faculty are only part of the cost of operating academic departments.

The “other instructional costs” component is intended to provide funding for fringe benefits of the faculty members, salaries and benefits of other personnel in the academic departments (e.g., clerical personnel, laboratory supervisors, etc.), office operating expenses (telephone charges, photocopies, office supplies, etc.), travel, equipment and similar costs.

To calculate the requirements for other instructional costs, the total faculty salary cost is multiplied by a factor expressed as a percentage, 44.89%. This rate was calculated based on the relative distribution of funds across the UNC system for other instructional costs as compared to total faculty salary costs. This rate was corroborated by estimating the typical costs in an academic department beyond direct teaching salaries.

Total Academic Requirements

The salary component and the other instructional costs, defined above, are combined to yield total academic requirements. This amount is the basis for calculating the remaining percentage components in the model (libraries and general institutional support).

Process for Future Rate Adjustments

It is not anticipated that the other instructional cost factor will often need to be adjusted. Since the other instructional cost factor is directly proportional to total instructional salaries, a factor which is to be adjusted annually, the allowance for other costs will already be adjusted on an indirect basis. Should there be any future major changes in other instructional costs, however, the UNC General Administration staff will review the situation and consider a recalibration of the rate.

Library Costs

Through a separate factor, the SCH formula provides funding for additional library resources related to enrollment growth. This step in the formula calculation is intended to provide campuses with funding that can be used for salaries for additional library personnel, acquisition of books, periodicals, serials,

or on-line services, and any other related purpose as is called for as institutions increase enrollments.

The calculation of library costs is straightforward. The total academic requirements (as determined in previous steps for instructional salaries and other instructional costs) is multiplied by the library funding factor of 11.48%. The result is the additional allowance for library services related to enrollment change. This rate was determined through analysis of the operating budgets of relevant activities at the 15 campuses covered by the SCH model as compared to the budget for total academic requirements.

Process for Future Rate Adjustments

The library rate is not expected to change on an annual basis. Whenever there is a significant change in library requirements or costs, UNC General Administration will review the situation and consider a recalibration of the rate at that time.

Exclusion of Libraries from Institutions and Schools Not on the SCH Funding Model

Library funding through the SCH funding model is applicable only for units funded via the SCH model. The institutions and programs which are funded via the FTE funding model would NOT derive funds to expand their specialized libraries based on the SCH model. Should these institutions or schools experience any material change in enrollment levels, additional library requirements would be handled through FTE enrollment change model or special funding requests.

General Institutional Support

The General Institutional Support (GIS) formula component is designed to provide funding for a wide variety of functions that support the instructional mission of the universities. Some of the types of activities included in the GIS category are: academic support services, student services, institutional support, campus administration, and physical plant operations. Library costs are not included in the GIS formula component because it has its own formula component.

The calculation requires multiplying a specific percentage rate for GIS times the "Total Academic Requirements" as determined in a prior calculation (see **Exhibit 3-1**). The GIS rate is 54.05% which was determined through analysis of the operating budgets for the 15 campuses covered by the SCH formula as compared to the budget for total academic requirements.

Process for Future Rate Adjustments

The GIS rate is not expected to change on an annual basis. When there is a significant change in GIS requirements or costs, UNC General Administration will review the situation and consider a recalibration of the rate at that time.

Transition Process in Event of Enrollment Loss

Prior to the development of the SCH funding model, the GIS costs driven by enrollment growth were funded at only one-half the calculated GIS rate per FTE student. Now, GIS costs related to enrollment change are funded at the full calculated rate.

In the event that an institution loses enrollment, the GIS requirements calculation in the model will be calculated using one-half the new percentage rate for growth (i.e., approximately 27% in decline). This will eliminate the possibility that a shift in enrollment would take away a greater amount of GIS resources than were earned by the same enrollment increment during a growth phase.

Chapter 10

Tuition Offset: Regular Term, Distance Education, and Summer School

Tuition Revenue

The tuition offset required to support instruction budgets for regular term and distance education use two different methodologies to generate the required tuition revenue. Revenue calculated to fund regular term instruction is derived from using the Average Annual Full Time Equivalent enrollment and the full-time annual tuition rate. Distance education instruction tuition revenue calculations are made using Student Credit Hour (SCH) and per SCH tuition rates.

Regular Term Instruction/Tuition Revenue Calculation

As previously mentioned, two components drive the calculation of additional tuition revenue to support regular term instruction, the Average Annual Full Time Equivalent (AAFTE) enrollment and the tuition rate. The AAFTE calculation is different from the FTE reported in IPEDS data. The AAFTE is the average FTEs enrollment in fall and spring terms for regular-term instruction. The calculations are essential in determining the tuition receipts required to support the institution's regular term budget and enrollment request. Calculations are based on revenue collections and parameters found in the *Chart of Accounts Memorandum No. 5 (Appendix D)*. As addressed in this memo, AAFTEs should be determined in conjunction with the "stair-step" methodology for charging regular term tuition. In addition, the AAFTE should not include students in the following categories: distance education, continuing education, regular summer session, and exempt programs and any programs not eligible for state funding.

The AAFTE drives the projected tuition revenue collected from students. Campus finance and Institutional Research staff should carefully review AAFTE projections to ensure projected revenue aligns with actual historical collections. An over/under statement in AAFTE can result in significant financial implications.

Distance Education Instruction/Tuition Revenue Calculation

Distance education credit hours eligible for state funding are those for-credit SCHs, which occur off campus, and are delivered to NC resident students both in and outside North Carolina or to nonresident students in North Carolina. Non-credit distance education activity is not fundable under any circumstance. For-credit SCHs delivered on campus are classified either as regular term, or as summer school. Distance education SCHs delivered to nonresident students outside North Carolina's borders are not eligible for funding.

Tuition revenues are projected and netted against requirements to arrive at the state appropriation request. The per-SCH rate is calculated by taking the appropriate annual regular term charge (approved by the UNC Board of

Governors) and dividing by 29.6 (undergraduate) or 20.4 (graduate) to yield the per-SCH rate. The tuition revenue required to support distance education instruction is calculated using the following formula: Change in Distance Education SCHs x per-SCH Tuition Rate.

Distance Education Tuition Billing

Distance education credit hours delivered to non-resident students outside the borders of North Carolina (non-fundable) will be priced to cover the direct and reasonably attributable indirect costs of the programs, and may differ from the non-resident regular term rate; however, in no case may it be less than 200% of the resident distance education rate. The regular term rate to be used is that in effect at the start date of the distance education course for which the student is enrolling.

Executive degree credit programs/courses and similar customized programs/courses, whether offered during the regular term or summer, or on- or off-campus, will be priced at a tuition rate at least adequate to cover fully their direct and reasonably attributable indirect costs. SCHs generated by these programs/courses will not be included in SCH counts for state funding requests and will not be funded with state support.

Cooperative programming agreements between UNC institutions and those outside the system may incorporate standardized tuition pricing agreements among the participants (barring antitrust violations) that result in distance education tuition rates otherwise at variance with these policies. Such cooperative pricing agreements that result in pricing policy variations from regular term comparability will require UNC-GA review.

Summer Session Regular Term Tuition Revenue

Tuition rates for summer instruction are priced independently of regular term rates, unless an institution proposes to match regular term rates on its own initiative. Summer school instruction does not receive state support, therefore revenue generated must support the total cost of operating summer school instruction. According to the OSBM Budget Manual, expenditures, revenues, and FTE must be accounted for in the fiscal year in which the session is completed.

Appendix A

Definition of Terms



Definition of Terms

The following terms and their general definitions as used in this document are offered here to encourage standardized use and mutual understanding. Some terms introduced here may be referenced much later in this manual. Items defined here appear as bold Italics in the body of other definitions provided.

Actual SCHs – Those **student credit hours** requested in compliance with a given data collection effort. May or may not be fundable. See **Coding Instructions**.

Appropriations – The requested or received dollar amount of funding set aside by the General Assembly from the State's General Fund. The general formula for calculating appropriations is **requirements** minus **tuition off-sets**.

Average Annual FTE (AAFTE) – The Full Time Equivalent number derived by converting student headcount into an equivalent number if all had taken full-time load, averaged on an annual basis (applicable to regular term only and based on the 1/4 stair-step method).

Base Funding – Funding applicable to the level of total SCHs budgeted in a defined base or beginning year. Contrast with funding for Change SCHs.

Base SCHs –The number of budgeted student credit hours (**SCHs**) from which subsequent **SCH change** is measured.

Budgeted FTEs – Under the **FTE (Full Time Equivalent) Funding model**, the number of AAFTE (Average Annual FTE), approved by BOG for funding and used to determine tuition revenue.

Budgeted SCHs – The number of student credit hours used to establish a funding base for a particular fiscal period.

Census Date (Common Census Date) – Official "snapshot" date that institutions are required to freeze data files used for counting student headcount/full-time equivalent enrollments, and student credit hours for budgeting and reporting purposes. Effective July 1, 2000, UNC-GA implemented a "Common Census Date" policy for UNC institutions. The policy stipulates the following: "For regular term instruction, the census date is the 10th class day of the term. For summer sessions, degree credit extension courses, and any other degree-credit courses taught on an irregular calendar, the census date is the class day representing the passage of 10 percent of the instructional period." (The UNC Policy Manual: 400.1.8[R]).

Change SCHs – The number of SCHs represented by the difference between **base budgeted SCHs** and Board-approved **projected SCHs** and expressed in a **12-cell matrix**. These SCHs form the basis for the incremental change request for state appropriations.

CIP Codes – The 2-digit Classification of Instructional Program codes that represent the institutionally identified discipline to which each course of instruction should be associated. Some disciplines are identified or separated via other criteria (such as Nursing instruction), and others by default (such as Health Affairs Residual via the removal of Nursing and Medicine, etc).

Coding Instructions – Detailed instructions on how to identify certain situations in reporting SCHs. May affect SCHs included in funding counts. See **Fundable SCHs**. See **Reported SCHs**.

Common Census Date – See Census Date

Correspondence Study – Instruction delivered through the mail via the Independent Studies division of UNC-CH. Not included on the **SCH funding model**. Funded on a **cost-recovery** basis.

Cost-recovery – See Funding Methods.

Customized Programs – Contracted or customized programs/courses approved by UNC General Administration for which tuition and other associated costs are designed to cover the full cost of the program/course. Funding is **receipt-based** and is not derived through appropriations using the SCH funding formula; **see funding methods**.

Customized Tuition – Tuition set by an institution (with UNC General Administration review) to cover the full cost of instruction. **SCHs** generated via the course are **non-fundable** via state appropriations.

Disciplines – See CIP Codes.

Distance Education – Instruction delivered or **SCHs** generated by for-credit off-campus instructional activity, regardless of the office or department offering the instruction and the method of delivery; does not include **correspondence study**. May occur during the regular term (fall and spring semesters) or the summer term. See **Extension**.

Dollar/SCH Values – The amount or dollar value for a single **SCH** in each of the 12 cells in the matrix. Varies by institution.

Equity Base – The dollar amount for each campus resulting from the addition of the monies secured via the **equity study** (\$21 million) to the existing campus' **revenue domain**.

Equity Study – A detailed study directed by the General Assembly and conducted by UNC-GA during 1995-96 with the assistance of an outside consultant to determine the equity of funding among the constituent institutions of UNC.

Extension – An office or division that oversees credit or non-credit instruction offered to non-traditional groups of students off-campus. Instruction offered on-

campus (e.g., “evening college”) through an extension division is counted and funded as regular-term instruction. **See Distance Education.**

FTE – Full-time Equivalent – A standardized representation that proportionately converts full-time and part-time academic loads to a */full-time equivalent measure/*. Full time is represented as 1. Applicable to student enrollment load or faculty or staff positions.

FTE Model – See Funding Methods.

Fiscal Year Splits – The partitioning of **SCHs** into the fiscal year to which they appropriately belong as required by OSBM policy. **Regular term** SCH production, by definition, falls within the fiscal year when the instruction occurs. Summer School SCHs are assigned to the fiscal year in which the last class day occurs: first summer session instruction and SCHs typically belong to the fiscal year ending during the summer in question, and the second and long summer sessions’ instruction and SCHs typically belong to the fiscal year beginning during the summer in question. Likewise, **Distance Education** SCHs, may occur during the regular term (fall and spring semesters) or the summer term, and must (like summer school SCHs) be assigned to the fiscal year in which the last class day occurs.

Formula-generated – Values generated via **SCHs** and other input into the **SCH model**. Commonly refers to fiscal requirements, but may refer to any component of the formula, such as formula-generated FTE faculty positions.

Fundable SCHs – Those student credit hours for which it is deemed appropriate to request State appropriations via the **SCH model**. May be date-specific. Other **SCHs** may be deemed fundable via other **funding methods**, and not all reported SCHs are fundable via appropriations. See **Coding Instructions**. See **Reported SCHs**.

Funding Methods – Receiving State Appropriation

SCH Model – The process by which projected **student credit hour** enrollment change is funded, or the set of mathematical calculations through which the funding request is determined. Commonly used in a broad sense, but is applicable only to change SCHs. **Note:** The SCH model was used to fund the entire distance education initiative (base year and change) in 1998-99 (the initial year of funding).

FTE Model – Programs and courses being funded via the pre-1998-99 Full Time Equivalent model.

Supplemental State Appropriations – Historically-based funding designed to offset some of the costs associated with providing the instruction. Relatively stable across time (considered partial funding). Summer school instruction would be an example.

Special Appropriations – No model or formula per se. Based on needs assessment and estimate of costs. May come from Legislature or Board of Governors initiative or mandate.

Cost Recovery – State appropriation designed to cover difference between costs and tuition.

Funding Methods for which the Program does not receive State Appropriations:

Receipt-based – Contracted or customized programs/courses approved by UNC-General Administration where tuition and other associated costs are designed to cover the full cost of the program/course. This method of funding is used for non-resident students at out-of-state distance education sites and for programs funded by external grants or contracts.

Tuition Only – Instruction for which the student pays Board of Governors (BOG) approved tuition to receive instruction, but the State provides no funding for the instructional activity.

Inclusions/Exclusions – Terms used to distinguish between fundable and non-fundable **SCHs**. **See Chapter 3; see Appendix E.**

Instructional Areas – The broad areas of disciplines grouped by their common instructional cost to constitute one dimension of the funding mechanism: Category I (lower cost); Category II; Category III; and Category IV (higher cost). Taken with **instructional levels**, produces the **12-cell matrix**.

Instructional Levels – The broad levels at which instruction is funded: undergraduate level; Master's level; and Doctoral level. Taken with four **instructional areas**, produces the **12-cell matrix**.

Instructional Position Factors – Factors applicable to the **12-cell matrix** used in converting **SCHs** to the number of FTE faculty positions required by the SCHs.

Non-formula – See Off-formula.

Non-fundable SCHs – SCHs deemed ineligible for State funding via the **SCH model**.

Off-campus Instruction – Instruction which is received away from the main or auxiliary campus(es) based on factors other than the non-availability of on-campus space. NOTE: If the instruction is held off-campus purely for the convenience/preference of the instructor or students, but would otherwise have been held on campus, the instruction is considered to be on-campus instruction.

Off-formula or Off-model or Non-formula– Not funded via the **SCH model**. May or may not be funded via another method. May or may not be required to be reported or projected on data collection documents.

Off-model – See Off-formula.

On-campus Instruction – Instruction which is received on the main or auxiliary campus(es), or which is delivered off-campus due to non-availability of on-campus space. NOTE: If the instruction is held off-campus purely for the convenience/preference of the instructor or students, but would otherwise have been held on campus, the instruction is considered to be on-campus instruction.

Partial Credit – The fractional credit a student earns for satisfactorily completing a course, as in 1.5 SCHs. Cannot be less than 0.1 SCH.

Pilot site – Limited duration distance education degree programs authorized for selected UNC campuses and supported by special funding provided by the General Assembly. Their purpose is to explore distance education modes of delivery and to meet the needs of underserved North Carolina communities. Most pilot sites are community college campuses, although a few other locations were later added.

Projected SCHs – The number of SCHs which an institution anticipates delivering at a future point in time. Subject to approval by the UNC Board of Governors when requested for funding. Commonly reported in a **12-cell matrix**.

Receipt-based – See Funding Methods.

Regular Term On Campus– The regular academic year comprised of the fall and spring semesters; synonymous with instruction or **SCHs** delivered during this period (such as “regular term SCHs”). Does not include **distance education** instruction or SCHs or summer school SCHs.

Reported SCHs – See Actual SCH's

Requirements – The **formula-generated** dollar amounts needed to adequately fund a prescribed set of SCHs. Does not take into account **tuition off-sets**.

Residency Classification – The determination that a given student is required to pay resident (in-state) or non-resident (out-of-state) tuition. **See Appendix L** – NC Statutes regarding residency.

Revenue Domain – The expenditures supported by appropriations and tuition revenues and associated with a given institution's total fundable SCH generation for a given period, such as a fiscal year.

SCHs – Student Credit Hours – The semester hours credit a student attempts for satisfactorily completing a course; the sum of semester hours credit earned by a given student, or all students at a given institution. May or may not be fundable.

SCH Model or SCH Formula – See Funding Methods.

Special Appropriations – See Funding Methods.

Summer Term – An instructional period starting and ending some time between mid-May and the end of August. Opposed to the regular term (fall and spring semesters). May consist of multiple sessions: first, second, and long. **See Regular Term. See Distance Education. See Fiscal Year Splits.**

Supplemental State Appropriations – See Funding Methods.

Tuition Off-sets – The dollars realized or anticipated from applicable tuition revenue to be subtracted from total **requirements**, reducing the State's financial responsibility, and resulting in the University's **appropriations** request to the General Assembly.

Tuition Only – See Funding Methods.

Tuition Schedules – Tuition rates as approved by the Board of Governors. May be on a 1/4 FTE stair-step basis or per-SCH basis. Different schedules for regular term, distance learning, and summer school. **See Appendices E and J.**

Twelve-cell Matrix – A 3 by 4 template (12 sections) showing values resulting from the association of three **instructional levels** (Undergraduate, master's, doctoral) and four broad **instructional areas** (Categories 1-4, based on CIP codes). The values represent actual SCHs, projected SCHs, Dollars/SCH or the number of SCHs needed to produce instructional positions.

Undergraduate Funding Factors – Adjustments applied to the **instructional position factors** to produce an increased number of generated **FTE** faculty positions in recognition of a commitment to disadvantaged student populations, an institution having a non-doctoral mission, a commitment to small average class size, diseconomies of scale experienced by small institutions, or a special mission as a public liberal arts institution for undergraduates. (See Chapter 6)

Appendix B

Definition of Funding Methods



Methods of Funding for UNC Degree Credit* Instruction		
Funding Method	Description	Examples
RECEIVE STATE APPROPRIATION (and therefore are included in enrollment budget projections and should charge established tuition rate)		
SCH Model	Includes SCHs derived from degree credit instruction not funded via another state process, agency, or appropriation, or found by exception to be nonfundable. Fundable and non-fundable SCHs are described in detailed manual outlining reporting and coding requirements.	Most UG and GR instruction (includes Nursing and Allied Health). Most distance education instruction (excludes non-resident students at out-of-state sites). Graduate Centers beginning in FY 1999-2000.
FTE Model	Programs and courses remaining on the pre-1998-99 FTE model.	UNCSA, NCSSM, Medicine, Vet Med, Dentistry, Pharmacy, Law (JD).
Friday Center UNC-CH	State appropriation designed to cover difference between costs and tuition.	Independent Studies and Self Paced Online
DO NOT RECEIVE STATE APPROPRIATION (and therefore are not included in enrollment budget projections)		
Receipt-based	Contracted or customized programs/courses approved by GA that charge tuition and other associated costs designed to cover the full cost of the program/course. Non-resident students at out-of-state extension sites.	For example, Executive MBA at UNC-CH, Executive MPA at NCCU, CP&L Bacc in Engineering by NCSU, and Certain Study Abroad Programs.
Tuition only	Situations where the student pays BOG-approved tuition to receive instruction, but the state provides no funding for the instructional activity.	Students auditing courses.
NONE	UNC Institutions do not receive state funding or tuition	Transfer Credit, AP, CLEP.

*Note: New degree programs may be funded via SCH model only, or via special appropriations on a case-by-case basis. For more details on fundable and nonfundable student credit hours, please see **Chapter 4**.*

* Remedial instruction offered by a UNC institution is fundable on the SCH model though the instruction may not be creditable toward a degree.

Appendix C

Factors Determining Funding Method & Tuition Charges



Factors Determining Funding Method and Tuition Charges

Factors and Determinants		Ref. to Narrative Inclusions/ Exclusions	Funding Action		Tuition Action		Comments	Coding Issues				Included in SDF Reports?	
			Funding Method 1	How Counted For Funding 2	Inst. Receiving Funding 3	Tuition Charged 4		Inst. Collecting Tuition 5	Special Coding Instructions	Funding Action	Separately Identifiable to GA?		Comments
GENERAL													
Term													
1 Regular Term (Fall, Spring)	F1	SCH or FTE	Reg.									SDF019	
2 Distance Education (Fall, Spring, Summer)	NF1, F1	SCH or FTE	DE									SDF020	
3 Summer School	NF1, F1	Supplemental	SS									SD019	
Transfer & AP Credit													
1 Credit Transferred From Another Institution	NF 2	NONE	N/A									SDF025	
2 Credit by Exam, Adv. Placement, Intnl Bacc., or CLEP	NF 2	NONE	N/A									SDF066 (Exam)	
3 H.S. Instruction at H.S. by H.S. Teachers	NF 2	NONE	N/A									SDF020	
Institution/Program													
1 NCSA	NF 2	FTE							CDTF001 (FICE) = 3981 (NCSA) and SCF002 (FICE) = 3981 NCSA	FTE-funded	Yes	SDF019 (Res) & SDF020	
2 Medicine	NF2	FTE							CDTF019 (Program) = MED (Medicine)	FTE-funded	Yes	SDF019 (Res)	
3 Vet Med	NF2	FTE							CDTF019 (Program) = VET (Vet. Medicine)	FTE-funded	Yes	SDF019 (Res)	
4 Dentistry	NF2	FTE							CDTF019 (Program) = DEN (Dentistry)	FTE-funded	Yes	SDF019 (Res)	
5 Pharmacy	NF2	FTE							CDTF019 (Program) = PCY (Pharmacy)	FTE-funded	Yes	SDF019 (Res)	
6 Law (J.D.)	NF2	FTE							CDTF019 (Program) = LAW (Law, JD)	FTE-funded	Yes	SDF019 (Res)	
7 Below Bacc. Cert. (Non-degree credit at UNC-CH)	NF5	FTE							CDTF019 (Program) = BBC (Below Bacc. Cert.)	FTE-funded	Yes	SDF019 (Res)	
8 Nursing	F 2	SCH							CDTF019 (Program) = NUR (Nursing)	SCHs included in funding counts	Yes	SDF019 (Res)	
											Necessary to separate NUR from other CIP 51		
9 Allied Health	F2	SCH							CDTF006 (CIP) = 51 AND CDTF019 (Program) not equal NUR (Nursing)	SCHs included in funding counts	Yes; See comment	SDF019 (Res)	
											Cannot distinguish Allied Health from Public Health		
10 Public Health	F2	SCH							CDTF006 (CIP) = 51 AND CDTF019 (Program) not equal NUR (Nursing)	SCHs included in funding counts	Yes; See comment	SDF019 (Res)	
											Cannot distinguish Allied Health from Public Health		
11 NCSSM	NF 2	FTE							CDTF001 = HS1077 (NCSSM) and SCF002 = HS1077 NCSSM	FTE-funded	Yes	SDF019 (Res) & SDF020	

Factors Determining Funding Method and Tuition Charges

Factors and Determinants		Ref. to Narrative Inclusions/ Exclusions	Funding Action			Tuition Action		Comments	Coding Issues			Included in SDF Reports?	
			Funding Method 1	How Counted For Funding 2	Inst. Receiving Funding 3	Tuition Charged 4	Inst. Collecting Tuition 5		Special Coding Instructions	Funding Action	Separately Identifiable to GA?		Comments
REMARKS BELOW DO NOT APPLY TO FTE FUNDING													
D Site of Instruction													
1 On-campus Reg. Term Instruction		F1	SCH	Reg.			Reg.			SCF007C (Site) = C (Campus)	SCHs included in funding counts as Reg Term	No	SDF019 (Res)
2 On-campus Reg. Term Instruction via Ext. Office		F1	SCH	Reg.			Reg.			SCF007C (Site) = C (Campus)	SCHs included in funding counts as Reg Term	Yes; See comment	SDF019 (Res)
3 On-campus Summer Sch. Instruction via Ext. Office		NF 1	Supplemental	SS			SS			SCF007C (Site) = C (Campus)	SCHs included in funding counts as SS; not fundable	Yes; See comment	SDF019 (Res)
4 Off-campus Instruction		F1	SCH	DE			DE		Includes Grad Center SCHs beginning in FY 1999-2000. See "Special State Funding - Grad Centers" later in this chart.	SCF007C (Site) = Num. 1-100 (County) or Num. >100 (St./Country)	SCHs included in funding counts as DE	Yes	SDF020 (Ext)
E Entitlements													
1 Employed as Faculty or Staff at University		NF 4							Policy permits tuition waivers for a limited number of courses/academic year taken by University employees. SCHs for courses not waived DO count; tuition is charged	SCF007F (St. Employ/Mil Flag) = Y (yes)	SCHs deleted in funding counts	Yes	SDF019 (Res) & SDF020 (Ext)
a • Course Flagged for Tuition Waiver			NONE	N/A			Tuition waived			SCF007F (St. Employ/Mil Flag) = blank	SCHs included in funding counts	No	SDF019 (Res) & SDF020 (Ext)
b • Course NOT Flagged for Tuition Waiver			SCH							None	SCHs included in funding counts	No	SDF019 (Res) & SDF020 (Ext)
2 North Carolina Teachers (tuition waiver)		F19	SCH	SCH			Resident		Difference between I/S and O/S tuition waived; student pays I/S tuition	None	SCHs included in funding counts	No	SDF019 (Res) & SDF020 (Ext)
*Difference between in-state and out-of-state tuition waived													
3 Nonresident Special Talent Students (tuition waiver)		F20	SCH	SCH			Resident		Difference between I/S and O/S tuition waived; student pays I/S tuition	None	SCHs included in funding counts	No	SDF019 (Res) & SDF020 (Ext)
4 Students Serving in Military (on active duty, stationed in NC)		F 12											
a On-campus Instruction													
b Off-campus Instruction		F 13											
5 Students who are co-habiting dependents of Military		F 14	SCH				Resident		Student responsible for tuition (transparent to GA; statute allows charging resident tuition.)	SCF007C (Site) = Num. 1-100 (County) on Num. >100 (St./Country)	As otherwise applicable	No	SDF020 (Ext)

Factors Determining Funding Method and Tuition Charges

Factors and Determinants	Ref. to Narrative Inclusions/ Exclusions	Funding Action			Tuition Action		Comments	Coding Issues				Included in SDF Reports?		
		Funding Method 1	How Counted For Funding 2	Inst. Receiving Funding 3	Tuition Charged 4	Inst. Collecting Tuition 5		Special Coding Instructions	Funding Action	Separately Identifiable to GA?	Comments			
F Student Registration														
1 Registered for Degree Credit	F 1	SCH							None	SCHs included in funding counts	No		SDF019 (Res) & SDF020 (Ext)	
2 Registered for Non-Credit Instr. (CEU's, etc.)	NF 5	Receipt-based	N/A	N/A	Cont. Ed. Charges				Do not report on Courseload Files (SCF, CDTF)				No	
3 Registered to Audit	NF 5	Tuition Only	N/A						Do not report on Courseload Files (SCF, CDTF)				No	
4 Registered for Zero Credit	NF 5	Tuition Only	N/A						CDTF007 (Credit Hours) or SCF007E (Credit Hours) = 0	SCHs included in funding counts as DE	Yes	May require institutional explanation	SDF019 (Res) = zero hours	
5 Registered to Repeat Course	F 1	SCH							None	SCHs included in funding counts	No	Transparent to GA	SDF019 (Res) & SDF020 (Ext)	
6 Registered in Agric. Institute (NCSU)	F 4	SCH							CDTF019 (Program) = AGI (Ag. Inst.)	SCHs included in funding counts	Yes		SDF019 (Res) & SDF020 (Ext)	
7 Registered for Remedial Instruction offered by UNC	F 1	SCH						Though non degree creditable.	CDTF015 (Course Type) = 1 (Remedial)	SCHs included in funding counts	Yes	See instructions for contract	SDF019 (Res)	
8 Registered for Thesis & Dissertation Only	F 5	SCH							CDTF015 (Course Type) = 4 (Thesis) or 5 (Dissertation)	SCHs included in funding counts	Yes	SCHs taken at face value following implementation of new acad. policy in fall, 1998.	SDF019 (Res) & SDF020 (Ext)	
9 Registered for Independent Studies (Correspondence)(UNC-CH)	NF 6	Cost-recovery	N/A		Corres. rate/SCH			Corres. rate/SCH = \$49 in FY 98-99. Not through consortia agreements. Neither institution may know of other registration.	Do not report on Courseload Files (SCF, CDTF)			Reports for funding purposes will be gathered separately	No	
G Administrative Phase Out														
H Special State Funding														
1 Supplemental State Funding From Other State Agencies	F 2	SCH	N/A					AHEC grant treated as off-set to SCH funding.	None	SCHs included in funding counts	No			SDF020 (Ext)
• AHEC														

Factors Determining Funding Method and Tuition Charges

	Ref. to Narrative Inclusions/ Exclusions	Funding Action			Tuition Action		Comments	Coding Issues				Included in SDF Reports?
		Funding Method 1	How Counted For Funding 2	Inst. Receiving Funding 3	Tuition Charged 4	Inst. Collecting Tuition 5		Special Coding Instructions	Funding Action	Separately Identifiable to GA?	Comments	
I												
1	Site of Instruction and Residency Off-campus Instruction taken by resident or non-res. students at sites in NC	SCH	DE		DE			[SCF007C (Site) = Num. 1-100 (County) or Num. >100 (St./Country) = NC] *and* [SCF004 (Residency) = 1 (Res) or 2 (NR)]	SCHs included in funding counts as DE	Yes		SDF020 (Ext)
2	Off-campus Instruction taken by resident students at sites outside NC	SCH	DE		DE			SCF007C (Site) = Num. >100 (St./Country) *and* SCF004 (Residency) = 1 (Res)	SCHs included in funding counts as DE	Yes		SDF020 (Ext)
3	Off-campus Instruction taken by non-res. students at sites outside NC	Receipt-based	N/A	N/A	At least twice NC Res. DE rate			SCF007C (Site) = Num. >100 (St./Country) *and* SCF004 (Residency) = 2 (NR)	SCHs deleted from funding counts	Yes		SDF020 (Ext)
J												
1	Contractual Agreement with Third Parties UNC institution pays 3rd party to offer instruction • Remedial Instr. Contracted to CC	Tuition Only	N/A			UNC gets tuition	Comm. College gets SCH funding	CDTF011 (Contract) = Y (yes)	SCHs deleted from funding counts	Yes		No
2	UNC Institution Paid by 3rd Party to Offer Instruction (Examples Below) a • Correctional Institutions	Receipt-based Special	N/A					CDTF019 (Program) = CCP (Correctional Center Program)	SCHs deleted from funding counts	Yes		SDF020 (Ext)
	b • Dept. of Public Instr. or local Educ. Agency	Special	N/A					CDTF019 (Program) = DPI (Dept. Public Instruction)	SCHs deleted from funding counts	Yes		SDF020 (Ext)
	c • Military Off-campus Instruction	Receipt-based	N/A					See detailed Coding Instructions under "Entitlements" above				SDF019 (Res) & SDF020 (Ext)
K												
1	Customized Program/ Course Executive MBA (UNC-CH)	Receipt-based	N/A				Tuition need not differentiate by residency	CDTF019 (Program) = MBA (Exec MBA)	SCHs deleted from funding counts	Yes		SDF019 (Res) & SDF020 (Ext)
2	Transatlantic Program (UNC-CH)	Receipt-based	N/A					CDTF019 (Program) = TAP (Trans Atlantic Program)	SCHs deleted from funding counts	Yes		SDF020 (Ext)
3	Other Programs as Approved by GA (Example: Certain Study Abroad and specialty Programs)	Receipt-based	N/A				Cost underwritten by foreign entity	CDTF019 (Program) = SAC (Study Abroad Customized Tuition)	SCHs deleted from funding counts	Yes		SDF020 (Ext)
4	Customized Program (Generic)	Receipt-based	N/A					CDTF019 (Program) = CUS (Customized Program- Generic)	SCHs deleted from funding counts	Yes		SDF019 (Res) & SDF020 (Ext)

Factors Determining Funding Method and Tuition Charges

	Ref. to Narrative Inclusions/ Exclusions	Funding Action			Tuition Action		Comments	Coding Issues				Included in SDF Reports?
		Funding Method 1	How Counted For Funding 2	Inst. Receiving Funding 3	Tuition Charged 4	Inst. Collecting Tuition 5		Special Coding Instructions	Funding Action	Separately Identifiable to GA?	Comments	
L	Factors and Determinants											
	Foreign Exchange (Via Balanced One-to-One System or Institutional agreements)						Balanced within inst. or system across time.					
	1 Foreign Student Attending UNC, Paying Foreign Inst.	SCH	Reg. or SS			Paid foreign inst.	Reg. Term=fundable; Sum. Sch. =not fundable.	None	SCHs included in funding counts	No	Reg term = fundable; SS not fundable. Transparent to GA	SDF020 (Ext)
M	2 UNC Student Attending Foreign Inst., Paying UNC	Tuition Only	N/A			Paid UNC		Do not report on Courseload Files (SCF, CDTF)		No	Transparent to GA	SDF020 (Ext)
	Study Abroad Programs (Not balanced One-to-One)											
	1 Student Pays Established BOG Tuition Rate a • UNC Student Attending Foreign Inst., Paying UNC	SCH	Reg. or SS			Paid UNC	Report as Reg. Term (fundable) or Sum. Sch. (not fundable). Do not report as Dist. Ed.	SCF007C (Site) and CDTF019 (Program) = SAP (Study Abroad Program)	SCHs included in funding counts (via CDTF019 value)	Yes	Reg. term = fundable; SS not fundable. Does not count as DE.	SDF020 (Ext)
N	b • Foreign Student Attending UNC, Paying UNC	SCH	Reg. or SS		Reg. or SS	Paid UNC	Transfer in; transparent to GA.	None	SCHs included in funding counts	No	Reg. term = fundable; SS not fundable. Transfer in; transparent to GA	No
							Transfer out; transparent to GA.	Do not report on courseload file (SCF, CDTF)			Transfer out; Transparent to GA	No
	2 UNC Student Attending Foreign Inst., Paying Foreign Inst.	NONE	N/A			Paid foreign inst.		CDTF019 (Program) = SAC (Study Abroad, Customized tuition)	SCHs deleted from funding counts	Yes		Yes
O	3 UNC Student Attending Foreign Inst. & Paying Customized UNC Tuition	Receipt-based	N/A		Customized UNC		Customized Tuition dictates SCH off-formula.					
	Inter-institutional Consortia (other than NC-REN Consortium)											
1	Inst. Registering Student BUT NOT Delivering Instruction	Tuition Only	N/A			Paid to reg. inst.		SCF007C (Site) = IIS (Inter-Institutional, Sending)	SCHs deleted from funding counts	Yes		
	2 Inst. NOT Registering Student BUT Delivering Instruction	SCH				Paid to reg. inst.		SCF007C (Site) = IID (Inter-Institutional, Delivering)	SCHs included in funding counts	Yes		

Factors Determining Funding Method and Tuition Charges

		Ref. to Narrative Inclusions/ Exclusions	Funding Action			Tuition Action		Comments	Coding Issues				Included in SDF Reports?
			Funding Method 1	How Counted For Funding 2	Inst. Receiving Funding 3	Tuition Charged 4	Inst. Collecting Tuition 5		Special Coding Instructions	Funding Action	Separately Identifiable to GA?	Comments	
P	NC-REN Consortium												
1	Institution Registering Student	F 10A	SCH		Registering Inst.			Paid to reg. inst.	None	No	Transparent to GA		
	a • Regular Term	F 10A	Supp.		Registering Inst.			Paid to reg. inst.	None	No	Transparent to GA		
	b • Summer Term												
2	Institution Providing Only Site for Electronic Delivery	NF 16	N/A		Registering Inst.			Paid to reg. inst.	None	No	Transparent to GA		
Q	Electronic Delivery (Examples: Web, Video, Video Cass. CD ROM, Comp. Conferencing, but not Including NC-REN)												
1	Tuition Charged	F 11	SCH	Reg.			Reg.		SCF007C (Site) = C (Campus)	No	Not distinguishable to GA from other on-campus instruc. from variables shown here		
	a • Student Paid Regular Term Tuition for this course												
	b • Student Paid Distance Education Tuition for this course	F 11	SCH	DE		DE			SCF007C (Site) = Num. 1-100 (County) Or Num. >200 (St./Country)	No	Not distinguishable to GA from other on-campus instruc. from variables shown here		
	c • Student Paid Summer School Tuition for this course	F 1, NF 9	Supp.	SS		SS			SCF007C (Site) = C (Campus) Term=7 or 8 (Summer 1 or Summer 2)	No			
REMARKS BELOW APPLY ONLY TO PROGRAMS FUNDED VIA FTE (UNC-SA, MEDICINE, VET MED, DENTISTRY, PHARMACY, LAW-JD)													
R	Site of Instruction												
1	On-campus Reg. Term Instruction		FTE	Reg.			Reg.		[[CDTF001(FICE) = 3981 (NCSA) *AND* SCF002(FICE) = 3981 (NCSA)] *OR* [CDTF019 (Program) = DEN(Dentistry), LAW (Law), MED (Medicine), PCY (Pharmacy), VET (Vet Med.)]] *AND* SCF007C (Site) = C (Campus)	Yes	FTE-funded	Yes	SDF019 (Res)
2	On-campus Reg. Term Instruction via Ext. Office		FTE	Reg.			Reg.			Yes	FTE-funded	Yes	SDF019 (Res)
3	On-campus Summer Sch. Instruction via Ext. Office	NF 1	Supp.	SS		SS				Yes	FTE-funded	Yes	SDF019 (Res)
4	Off-campus Instruction (Distance Education)		Receipt-based	N/A			As approved by GA			Yes	FTE-funded	Yes	SDF020 (Ext)

Factors Determining Funding Method and Tuition Charges

	Ref. to Narrative Inclusions/ Exclusions	Funding Action			Tuition Action		Comments	Coding Issues				Included In SDF Reports?
		Funding Method 1	How Counted For Funding 2	Inst. Receiving Funding 3	Tuition Charged 4	Inst. Collecting Tuition 5		Special Coding Instructions	Funding Action	Separately Identifiable to GA?	Comments	
S	Student Registration							[[CDTF001(FICE) = 3981 (NCSA) *AND* SCF002(FICE) = 3981 (NCSA)] *OR* [CDTF019 (Program) = DEN(Dentistry), LAW (Law), MED (Medicine), PCY (Pharmacy), VET (Vet Med)]] *AND* SCF007C (Site) = C (Campus)	FTE-funded	Yes		SDF019 (Res) & SDF020 (Ext)
	1 Registered for Degree Credit	FTE							FTE-funded	No	Transparent to GA	SDF019 (Res) & SDF020 (Ext)
	2 Registered to Repeat Course	FTE							FTE-funded	Yes		SDF019 (Res)
	3 Registered for Thesis & Dissertation Only	FTE						[[CDTF001(FICE) = 3981 (NCSA) *AND* SCF002(FICE) = 3981 (NCSA)] *OR* [CDTF019 (Program) = DEN(Dentistry), LAW (Law), MED (Medicine), PCY (Pharmacy), VET (Vet Med)]] *AND* SCF007C (Site) = C (Campus) *AND* CDTF015 (Course Type) = 4 (Thesis) or 5 (Dissertation)	FTE-funded	Yes		
T	Entitlements								FTE-funded	Yes		SDF019 (Res) & SDF020 (Ext)
	1 Employed as Faculty or Staff at University	NONE	N/A		Tuition waived			[[CDTF001(FICE) = 3981 (NCSA) *AND* SCF002(FICE) = 3981 (NCSA)] *OR* [CDTF019 (Program) = DEN(Dentistry), LAW (Law), MED (Medicine), PCY (Pharmacy), VET (Vet Med)]] *AND* SCF007C (Site) = C (Campus) *AND* SCF007F (St. Employ/Mil Flag) = Y (yes)	FTE-funded	Yes		

Note: 1) SCHs and FTEs implied here in a given information cell to be fundable may be deemed nonfundable by criteria in other information cells. Non-fundable criteria rule unless specifically covered by exceptions.

Note: 2) Unless indicated otherwise, SCHs and FTEs should be counted as Reg. Term Dist. Ed., or Summer School regardless of the office offering the instruction.

Note: 3) Unless otherwise stipulated, SCH or FTE is counted for funding by institution delivering the instruction.

Note: 4) Unless otherwise stipulated, tuition is charged per a BOG-approved schedule.

Note: 5) Unless otherwise stipulated, tuition is collected by institution registering the student.

Note: 6) SCHs generated by students registering in Medicine, Vet. Medicine, Dentistry, Pharmacy, Law (J.D.) programs but taking courses that are deemed fundable on the SCH model (as in the graduate school) are deemed fundable on the SCH model. SCHs generated by students registered in other instructional units (such as the graduate school) but taking coursework in one of these five programs are not deemed fundable on the SCH model. Thus courses in these five programs are deemed non-fundable, and cross-registrations to other (fundable) courses are considered a wash.

Appendix D

(Including Attachments 1 through 7)

Statutes, BOG Policies, and Related Memoranda



- Thesis and Dissertation Policy
- State-supported institutions of higher education required to charge tuition and fees
- Provisions for determining resident status for tuition purposes
- Tuition of armed services personnel and their dependents
- Admissions status of persons charged in-state tuition
- Tuition of certain teachers
- Full scholarship students attending constituent institutions
- Higher tuition to be charged nonresidents
- Policy on tuition with respect to student exchange programs with institutions abroad
- Tuition waivers – definitions, authorizations and rules
- Enrollment computation for funding purposes, proof of eligibility, and misrepresentation of eligibility
- Student to be credited for scholarship value
- Minimum Requirements for Undergraduate Admission
- Early College High Schools on UNC Campuses
- Out-of-State Undergraduate Enrollment Cap
- COA Memo No. 5 – Calculation of AAFTE

Policy on Completion of Thesis and Dissertation

Students who have completed their course work and the number of thesis/dissertation hours for credit required in their graduate degree program must take one of two actions as follows:

- Students who will continue to use university resources in completing their degrees must enroll in and pay tuition and fees for not less than one nor more than three hours of continuing completion of thesis/dissertation credit each semester. *(Note: institutions that choose to require a minimum of three hours of credit for all students may change this sentence to reflect the three-hour requirement.)* These hours will not count toward the degree and will carry a different course number than those thesis and dissertation courses that are included within the hours designated for the degree. If an institution chooses to charge a rate less than the three-hour rate, the rate charged should be the same as that rate charged to a resident or nonresident student taking extension courses with North Carolina. The rates for extension courses have been established on a per-credit-hour basis.
- Students who will not use university resources should apply for a leave of absence. Students choosing this option must file a formal petition for a leave of absence that states that they will not use university resources during the leave period. Individual institutions may require students granted a leave of absence to re-apply for active status in the graduate program.

Regardless of the course of action selected, all students must be enrolled in thesis/dissertation preparation courses for credit during the semester in which they complete their graduate work or are scheduled to receive their degrees.

North Carolina General Statutes
Chapter 116
Higher Education

Article 14

General Provisions as to Tuition and Fees in Certain State Institutions

§ 116-143. State-supported institutions of higher education required to charge tuition and fees.

(a) The Board of Governors of The University of North Carolina shall fix the tuition and fees, not inconsistent with actions of the General Assembly, at the institutions of higher education enumerated in G.S. 116-4 in such amount or amounts as it may deem best, taking into consideration the nature of each institution and program of study and the cost of equipment and maintenance; and each institution shall charge and collect from each student, at the beginning of each semester or quarter, tuition, fees, and an amount sufficient to pay other expenses for the term.

(b) In the event that said students are unable to pay the cost of tuition and required academic fees as the same may become due, in cash, the said several boards of trustees are hereby authorized and empowered, in their discretion, to accept the obligation of the student or students together with such collateral or security as they may deem necessary and proper, it being the purpose of this Article that all students in State institutions of higher learning shall be required to pay tuition, and that free tuition is hereby abolished. Notwithstanding this section, neither the Board of Governors of The University of North Carolina nor its Board of Trustees shall impose any tuition or mandatory fee at the North Carolina School of Science and Mathematics without the approval of the General Assembly.

(c) Inasmuch as the giving of tuition and fee waivers, or especially reduced rates, represent in effect a variety of scholarship awards, the said practice is hereby prohibited except when expressly authorized by statute or by the Board of Governors of The University of North Carolina; and, furthermore, it is hereby directed and required that all budgeted funds expended for scholarships of any type must be clearly identified in budget reports. The Board of Governors of The University of North Carolina shall not authorize a reduced rate of tuition for the special talent of athletics.

(d) Notwithstanding the above provision relating to the abolition of free tuition, the Board of Governors of The University of North Carolina may, in its discretion, provide regulations under which a full-time faculty member of the rank of full-time instructor or above, and any full-time staff member of The University of North Carolina may during the period of normal employment enroll for not more than ~~three~~ two courses per year in The University of North Carolina free of charge for tuition, provided such enrollment does not interfere with normal employment obligations and further provided that such enrollments are not counted for the purpose of receiving general fund appropriations (*see Attachment 2*). (1933, c. 320, s. 1; 1939, cc. 178, 253; 1949, c. 586; 1961, c. 833, s. 16.1; 1963, c. 448, s. 27.1; 1965, c. 903; 1971, c. 845, ss. 6, 10; c. 1086, s. 2; c. 1244, s. 12; 1973, c. 116, s. 1; 1977, c. 605; 1981, c. 859, s. 41.4; 2006-66, s. 9.11(i); 2009-451, ss 9.21, 9.22(a).)

§ 116-143.1. Provisions for determining resident status for tuition purposes.

(a) As defined under this section:

- (1) A "legal resident" or "resident" is a person who qualifies as a domiciliary of North Carolina; a "nonresident" is a person who does not qualify as a domiciliary of North Carolina.
- (2) A "resident for tuition purposes" is a person who qualifies for the in-State tuition rate; a "nonresident for tuition purposes" is a person who does not qualify for the in-State tuition rate.
- (3) "Institution of higher education" means any of the constituent institutions of the University of North Carolina and the community colleges under the jurisdiction of the State Board of Community Colleges.

(b) To qualify as a resident for tuition purposes, a person must have established legal residence (domicile) in North Carolina and maintained that legal residence for at least 12 months immediately prior to his or her classification as a resident for tuition purposes. Every applicant for admission shall be required to make a statement as to his length of residence in the State.

(c) To be eligible for classification as a resident for tuition purposes, a person must establish that his or her presence in the State currently is, and during the requisite 12-month qualifying period was, for purposes of maintaining a bona fide domicile rather than of maintaining a mere temporary residence or abode incident to enrollment in an institution of higher education.

(d) An individual shall not be classified as a resident for tuition purposes and, thus, not rendered eligible to receive the in-State tuition rate, until he or she has provided such evidence related to legal residence and its duration as may be required by officials of the institution of higher education from which the individual seeks the in-State tuition rate.

(e) When an individual presents evidence that the individual has living parent(s) or court-appointed guardian of the person, the legal residence of such parent(s) or guardian shall be prima facie evidence of the individual's legal residence, which may be reinforced or rebutted relative to the age and general circumstances of the individual by the other evidence of legal residence required of or presented by the individual; provided, that the legal residence of an individual whose parents are domiciled outside this State shall not be prima facie evidence of the individual's legal residence if the individual has lived in this State the five consecutive years prior to enrolling or reregistering at the institution of higher education at which resident status for tuition purposes is sought.

(f) In making domiciliary determinations related to the classification of persons as residents or nonresidents for tuition purposes, the domicile of a married person, irrespective of sex, shall be determined, as in the case of an unmarried person, by reference to all relevant evidence of domiciliary intent. For purposes of this section:

- (1) No person shall be precluded solely by reason of marriage to a person domiciled outside North Carolina from establishing or maintaining legal residence in North Carolina and subsequently qualifying or continuing to qualify as a resident for tuition purposes;
- (2) No persons shall be deemed solely by reason of marriage to a person domiciled in North Carolina to have established or maintained a legal residence in North Carolina and subsequently to have qualified or continued to qualify as a resident for tuition purposes;

- (3) In determining the domicile of a married person, irrespective of sex, the fact of marriage and the place of domicile of his or her spouse shall be deemed relevant evidence to be considered in ascertaining domiciliary intent.

(g) Any nonresident person, irrespective of sex, who marries a legal resident of this State or marries one who later becomes a legal resident, may, upon becoming a legal resident of this State, accede to the benefit of the spouse's immediately precedent duration as a legal resident for purposes of satisfying the 12-month durational requirement of this section.

(h) No person shall lose his or her resident status for tuition purposes solely by reason of serving in the armed forces outside this State.

(h1) Any member of a North Carolina National Guard unit who is a nonresident shall be eligible to be charged the in-State tuition rate and shall pay the full amount of the in-State tuition rate and applicable mandatory fees. This subsection applies to members in a reserve or active duty status.

(i) A person who, having acquired bona fide legal residence in North Carolina, has been classified as a resident for tuition purposes but who, while enrolled in a State institution of higher education, loses North Carolina legal residence, shall continue to enjoy the in-State tuition rate for a statutory grace period. This grace period shall be measured from the date on which the culminating circumstances arose that caused loss of legal residence and shall continue for 12 months; provided, that a resident's marriage to a person domiciled outside of North Carolina shall not be deemed a culminating circumstance even when said resident's spouse continues to be domiciled outside of North Carolina; and provided, further, that if the 12-month period ends during a semester or academic term in which such a former resident is enrolled at a State institution of higher education, such grace period shall extend, in addition, to the end of that semester or academic term.

(j) Notwithstanding the prima facie evidence of legal residence of an individual derived pursuant to subsection (e), notwithstanding the presumptions of the legal residence of a minor established by common law, and notwithstanding the authority of a judicially determined custody award of a minor, for purposes of this section, the legal residence of a minor whose parents are divorced, separated, or otherwise living apart shall be deemed to be North Carolina for the time period relative to which either parent is entitled to claim and does in fact claim the minor as a dependent for North Carolina individual income tax purposes. The provisions of this subsection shall pertain only to a minor who is claimed as a dependent by a North Carolina legal resident.

Any person who immediately prior to his or her eighteenth birthday would have been deemed under this subsection a North Carolina legal resident but who achieves majority before enrolling at an institution of higher education shall not lose the benefit of this subsection if that person:

- (1) Upon achieving majority, acts, to the extent that the person's degree of actual emancipation permits, in a manner consistent with bona fide legal residence in North Carolina; and
- (2) Begins enrollment at an institution of higher education not later than the fall academic term next following completion of education prerequisite to admission at such institution.

(k) Notwithstanding other provisions of this section, a minor who satisfies the following conditions immediately prior to commencement of an enrolled term at an institution of higher education, shall be accorded resident tuition status for that term:

- (1) The minor has lived for five or more consecutive years continuing to such term in North Carolina in the home of an adult relative other than a parent, domiciled in this State; and
- (2) The adult relative has functioned during those years as a de facto guardian of the minor and exercised day-to-day care, supervision, and control of the minor.

A person who immediately prior to his or her eighteenth birthday qualified for or was accorded resident status for tuition purposes pursuant to this subsection shall be deemed upon achieving majority to be a legal resident of North Carolina of at least 12 months' duration; provided, that the legal residence of such an adult person shall be deemed to continue in North Carolina only so long as the person does not abandon legal residence in this State.

(l) Any person who ceases to be enrolled at or graduates from an institution of higher education while classified as a resident for tuition purposes and subsequently abandons North Carolina domicile shall be permitted to reenroll at an institution of higher education as a resident for tuition purposes without necessity of meeting the 12-month durational requirement of this section if the person reestablishes North Carolina domicile within 12 months of abandonment of North Carolina domicile and continuously maintains the reestablished North Carolina domicile at least through the beginning of the academic term(s) for which in-State tuition status is sought. The benefit of this subsection shall be accorded not more than once to any one person.

(m) Notwithstanding subsection (b) of this section, a person who is a full-time employee of The University of North Carolina, or is the spouse or dependent child of a full-time employee of The University of North Carolina, and who is a legal resident of North Carolina, qualifies as a resident for tuition purposes without having maintained that legal residence for at least 12 months immediately prior to his or her classification as a resident for tuition purposes. (1971, c. 845, ss. 7-9; 1973, cc. 710, 1364, 1377; 1975, c. 436; 1979, cc. 435, 836; 1981, cc. 471, 905; 1987, c. 564, s. 19; 1989, c. 728, s. 1.3; 1991 (Reg. Sess., 1992), c. 1030, s. 32; 2004-130, s. 2; 2005-276, s. 9.25(a).)

§ 116-143.2. Expired.

§ 116-143.3. Tuition of armed services personnel and their dependents.

(a) Definitions. – The following definitions apply in this section:

- (1) The term "abode" shall mean the place where a person actually lives, whether temporarily or permanently; the term "abide" shall mean to live in a given place.
- (2) The term "armed services" shall mean the United States Air Force, Army, Coast Guard, Marine Corps, and Navy; the North Carolina National Guard; and any Reserve Component of the foregoing.
- (3) Repealed by Session Laws 2007-484, s. 15, effective August 30, 2007.

(b) Any active duty member of the armed services qualifying for admission to an institution of higher education as defined in G.S. 116-143.1(a)(3) but not qualifying as a resident for tuition purposes under G.S. 116-143.1 shall be charged the in-State tuition rate and applicable mandatory fees for enrollments while the member of the armed services is abiding in this State incident to active military duty in this State. In the event the active duty member of the armed services is reassigned outside of North Carolina or retires, the member shall continue to be

eligible for the in-State tuition rate and applicable mandatory fees so long as the member is continuously enrolled in the degree or other program in which the member was enrolled at the time the member is reassigned. In the event the active duty member of the armed services receives an Honorable Discharge from military service, the member shall continue to be eligible for the in-State tuition rate and applicable mandatory fees so long as the member establishes residency in North Carolina within 30 days after the discharge and is continuously enrolled in the degree or other program in which the member was enrolled at the time the member is discharged.

(b1), (b2) Repealed by Session Laws 2004-130, s. 1, effective August 1, 2004.

(c) Any dependent relative of a member of the armed services who is abiding in this State incident to active military duty, as defined by the Board of Governors of The University of North Carolina and by the State Board of Community Colleges while sharing the abode of that member shall be eligible to be charged the in-State tuition rate, if the dependent relative qualifies for admission to an institution of higher education as defined in G.S. 116-143.1(a)(3). The dependent relatives shall comply with the requirements of the Selective Service System, if applicable, in order to be accorded this benefit. In the event the member of the armed services is reassigned outside of North Carolina or retires, the dependent relative shall continue to be eligible for the in-State tuition rate and applicable mandatory fees so long as the dependent relative is continuously enrolled in the degree or other program in which the dependent relative was enrolled at the time the member is reassigned or retires. In the event the member of the armed services receives an Honorable Discharge from military service, the dependent relative shall continue to be eligible for the in-State tuition rate and applicable mandatory fees so long as the dependent relative establishes residency within North Carolina within 30 days after the discharge and is continuously enrolled in the degree or other program in which the dependent relative was enrolled at the time the member is discharged.

(d) The person applying for the benefit of this section has the burden of proving entitlement to the benefit.

(e) A person charged less than the out-of-state tuition rate solely by reason of this section shall not, during the period of receiving that benefit, qualify for or be the basis of conferring the benefit of G.S. 116-143.1(g), (h), (i), (j), (k), or (l). (1983 (Reg. Sess., 1984), c. 1034, s. 57; 1985, c. 39, s. 1; c. 479, s. 69; c. 757, s. 154; 1987, c. 564, § 7; 1997-443, s. 10.2; 2003-284, s. 8.16(a); 2004-130, s. 1; 2005-276, s. 9.38; 2005-345, s. 14; 2005-445, s. 7; 2007-484, s. 15.)

§ 116-143.4. Admissions status of persons charged in-State tuition.

A person eligible for the in-State tuition rate pursuant to this Article shall be considered an in-State applicant for the purpose of admission; provided that, a person eligible for in-State tuition pursuant to G.S. 116-143.3(c) shall be considered an in-State applicant for the purpose of admission only if at the time of seeking admission he is enrolled in a high school located in North Carolina or enrolled in a general education development (GED) program in an institution located in this State. (1989 (Reg. Sess., 1990), c. 907.)

§ 116-143.5. Tuition of certain teachers. (*see Attachment 3 for BOG guidelines*)

Notwithstanding G.S. 116-143.1, any teacher or other personnel paid on the teacher salary schedule who (i) has established a legal residence (domicile) in North Carolina and (ii) is employed full-time by a North Carolina public school, shall be eligible to be charged the in-State tuition rate for courses relevant to teacher certification or to professional development as a teacher. (1997-443, s. 8.22(c).)

§ 116-143.6. Full scholarship students attending constituent institutions. (*see Attachment 4*)

G.S. 116-143.6(a) reads as rewritten:

(a) Notwithstanding any other provision of law, if the Board of Trustees of a constituent institution of The University of North Carolina elects to do so, it may by resolution adopted consider as residents of North Carolina all persons who receive full ~~scholarships~~ scholarships, unless the scholarship is for athletics, to the institution from entities recognized by the institution and attend the institution as undergraduate students. The aforesaid persons shall be considered residents of North Carolina for all purposes by The University of North Carolina.

(b) The following definitions apply in this section:

(1) "Full cost" means an amount calculated by the constituent institution that is no less than the sum of tuition, required fees, and on-campus room and board.

(2) "Full scholarship" means a grant that meets the full cost for a student to attend the constituent institution for an academic year.

(c) This section shall not be applied in any manner that violates federal law.

(d) This section shall be administered by the electing constituent institution so as to have no fiscal impact.

(e) In administering this section, the electing constituent institution shall maintain at least the current number of North Carolina residents admitted to that constituent institution. (2005-276, s. 9.27(a); 2010-31, s. 9.25(a).)

§ 116-143.7. UNC Tuition Surcharge Exception (*see Attachment 6*)

The Board of Governors of The University of North Carolina shall impose a fifty percent (50%) tuition surcharge (2010-11) on students who take more than 140 degree credit hours to complete a baccalaureate degree in a four-year program or more than one hundred ten percent (110%) of the credit hours necessary to complete a baccalaureate degree in any program officially designated by the Board of Governors as a five-year program. The calculation of these credit hours taken at a constituent institution or accepted for transfer shall exclude hours earned through the College Board's Advanced Placement or CLEP examinations, through institutional advanced placement or course validation, or through summer term or extension programs. No surcharge shall be imposed on any student who exceeds the degree credit hour limits within the equivalent of four academic years of regular term enrollment, or within five academic years of regular term enrollment in a degree program officially designated by the Board of Governors as a five-year program.

§ 116-144. Higher tuition to be charged nonresidents.

The Board of Governors shall fix the tuition and required fees charged nonresidents of North Carolina who attend the institutions enumerated in G.S. 116-4 at rates higher than the rates charged residents of North Carolina and comparable to the rates charged nonresident students by comparable public institutions nationwide, except that a person who serves as a graduate teaching assistant or graduate research assistant or in a similar instructional or research assignment and is at the same time enrolled as a graduate student in the same institution may, in the discretion of the Board of Governors, be charged a lower rate fixed by the Board, provided the rate is not lower than the North Carolina resident rate. (1933, c. 320, s. 3; 1983, c. 761, s.

Policy on Tuition with Respect to Student Exchange Programs with Institutions Abroad

[Policy 1000.1.2] - Adopted 03/15/96

On March 15, 1996, the Board of Governors approved the following recommendation, essentially reconfirming an already existing practice of one-on-one exchanges:

The constituent institutions are hereby authorized to enter into and extend or modify agreements with institutions in other countries to provide for a balanced exchange of students. A UNC student participating in such an exchange shall be charged tuition by the home UNC institution at a rate consistent with the residentiary status the student would otherwise have at the home institution and shall be counted in the official FTE of the home institution in that residentiary status. A foreign student participating in such an exchange agreement shall not be charged tuition by the host UNC institution and shall not be counted in the official FTE of the host UNC institution.

North Carolina General Statutes

Chapter 115B

Tuition Waivers

§ 115B-1. Definitions.

The following definitions apply in this Chapter:

- (1) Employer. – The State of North Carolina and its departments, agencies, and institutions; or a county, city, town, or other political subdivision of the State.
- (2) Firefighter or volunteer firefighter. – The same as provided in G.S. 58-86-25 for "eligible firemen".
- (3) Law enforcement officer. – An employee or volunteer of an employer who possesses the power of arrest, who has taken the law enforcement oath administered under the authority of the State as prescribed by G.S. 11-11, and who is certified as a law enforcement officer under the provisions of Chapter 17C of the General Statutes or certified as a deputy sheriff under the provisions of Chapter 17E of the General Statutes. "Law enforcement officer" also means the sheriff of the county.
- (4) Permanently and totally disabled as a direct result of a traumatic injury sustained in the line of duty. – A person: (i) who as a law enforcement officer, firefighter, volunteer firefighter, or rescue squad worker suffered a disabling injury while in active service or training for active service, (ii) who at the time of active service or training was a North Carolina resident, and (iii) who has been determined to be permanently and totally disabled for compensation purposes by the North Carolina Industrial Commission.
- (5) Rescue squad worker. – The same as provided in G.S. 58-86-30 for "eligible rescue squad worker".
- (6) Survivor. – Any person whose parent or spouse: (i) was a law enforcement officer, a firefighter, a volunteer firefighter, or a rescue squad worker, (ii) was killed while in active service or training for active service or died as a result of a service-connected disability, and (iii) at the time of active service or training was a North Carolina resident. The term does not include the widow or widower of a law enforcement officer, firefighter, volunteer firefighter, or a rescue squad worker if the widow or widower has remarried.
- (7) Tuition. – The amount charged for registering for a credit hour of instruction and shall not be construed to mean any other fees or charges or costs of textbooks. (1975, c. 606, s. 1; 1977, c. 981, s. 1; 1997-505, s. 2; 2003-230, s. 1.)

§ 115B-2. Tuition waiver authorized.

- (a) The constituent institutions of The University of North Carolina and the community colleges as defined in G.S. 115D-2(2) shall permit the following persons to attend classes for credit or noncredit purposes without the required payment of tuition (*see Attachment 5*):

- (1) Repealed by Session Laws 2009-451, s. 8.11(a), effective July 1, 2009.

- (2) Any person who is the survivor of a law enforcement officer, firefighter, volunteer firefighter, or rescue squad worker killed as a direct result of a traumatic injury sustained in the line of duty.
- (3) The spouse of a law enforcement officer, firefighter, volunteer firefighter, or rescue squad worker who is permanently and totally disabled as a direct result of a traumatic injury sustained in the line of duty.
- (4) Any child, if the child is at least 17 years old but not yet ~~23 years old~~, 24 years old, whose parent is a law enforcement officer, firefighter, volunteer firefighter, or rescue squad worker who is permanently and totally disabled as a direct result of a traumatic injury sustained in the line of duty. However, a child's eligibility for a waiver of tuition under this Chapter shall not exceed: (i) ~~48 months~~, 54 months, if the child is seeking a baccalaureate degree, or (ii) if the child is not seeking a baccalaureate degree, the number of months required to complete the educational program to which the child is applying.
- (5) Any child, if the child (i) is at least 17 years old but not yet ~~23 years old~~, 24 years old, (ii) is a ward of North Carolina or was a ward of the State at the time the child reached the age of 18, (iii) is a resident of the State; and (iv) is eligible for services under the Chaffee Education and Training Vouchers Program; but the waiver shall only be to the extent that there is any tuition still payable after receipt of other financial aid received by the student.

(b) Persons eligible for the tuition waiver under subsection (a) of this section must meet admission and other standards considered appropriate by the educational institution. In addition, the constituent institutions of The University of North Carolina shall accept these persons only on a space available basis. (1975, c. 606, s. 2; 1977, c. 981, s. 2; 1997-505, s. 3; 2003-230, ss. 1, 2; 2005-276, s. 9.30(a); 2009-451, s.8.11(a); 2010-31, s. 9.26(a).)

§ 115B-3. Rules.

The Board of Governors of The University of North Carolina and the State Board of Community Colleges shall each, with respect to the institutions governed by it, promulgate rules necessary for the implementation of this Chapter. (1975, c. 606, s. 3; 1977, c. 981, s. 3; 2003-230, s. 3.)

§ 115B-4. Enrollment computation for funding purposes.

Persons attending classes under the provisions of this Chapter, without payment of tuition, shall be counted in the computation of enrollment for funding purposes. (1975, c. 606, s. 4; 1977, c. 981, s. 4.)

§ 115B-5. Proof of eligibility.

- (a) Repealed by Session Laws 2009-451, s. 8.11(c), effective July 1, 2009..
- (b) The officials of the institutions charged with administration of this Chapter shall require the following proof to insure that a person applying to the institution and who requests a tuition waiver under G.S. 115B-2(2), (3), or (4) is eligible for the benefits provided by this Chapter.
 - (1) The parent-child relationship shall be verified by a birth certificate, legal adoption papers, or other documentary evidence deemed appropriate by the institution.
 - (2) The marital relationship shall be verified by a marriage certificate or other documentary evidence deemed appropriate by the institution.

- (3) The cause of death of the law enforcement officer, firefighter, volunteer firefighter, or rescue squad worker shall be verified by certification from the records of the Department of State Treasurer, the appropriate city or county law enforcement agency that employed the deceased, the administrative agency for the fire department or fire protection district recognized for funding under the Department of State Auditor, or the administrative agency having jurisdiction over any paid firefighters of all counties and cities.
- (4) The permanent and total disability shall be verified by documentation deemed necessary by the institution from the North Carolina Industrial Commission.

(c) The officials of the institutions charged with administration of this Chapter may require proof to verify that a person applying to the institution under G.S. 115B-2(5) is eligible for the benefits provided by this Chapter. (1975, c. 606, s. 5; 1977, c. 981, s. 5; 1997-505, s. 4; 2003-230, s. 1; 2005-276, s. 9.30(b); 2009-451, s. 8.11(c).)

§ 115B-5.1. Student to be credited for scholarship value.

If a person obtains a tuition waiver under G.S. 115B-2(2), (3), or (4) and the person also receives a cash scholarship paid or payable to the institution, from whatever source, the amount of the scholarship shall be applied to the credit of the person in the payment of incidental expenses of the person's attendance at the institution, and any balance, if the terms of the scholarship permit, shall be returned to the student. (1997-505, s. 5; 2003-230, s. 1.; 2009-570, s.13.)

§ 115B-6. Misrepresentation of eligibility.

Any applicant who willfully misrepresents his eligibility for the tuition benefits provided under this Chapter, or any person who knowingly aids or abets such applicant in misrepresenting his eligibility for such benefits, shall be deemed guilty of a Class 3 misdemeanor. (1975, c. 606, s. 6; 1977, c. 981, s. 6; 1993, c. 539, s. 879; 1994, Ex. Sess., c. 24, s. 14(c).)

**Minimum Requirements for Undergraduate Admission
(excerpts from Board Policy)**

I. MINIMUM COURSE REQUIREMENTS

In addition to the requirement that students should hold a high school diploma or its equivalent, the University of North Carolina Board of Governors has, since 1988, established minimum course requirements for undergraduate admission.¹ The requirements in effect in 2001-02 were first implemented in the fall of 1990, and will continue until the fall semester of 2004, when a second language requirement will be added. Effective in the fall of 2006, a fourth unit of mathematics is required for admission. These requirements are summarized below.

Effective in Fall 2004 and Fall 2005

Six course units in **language**, including

- four units in **English** emphasizing grammar, composition, and literature, and
- two units of a **language other than English**.

Three course units of **mathematics**, in any of the following combinations:

- algebra I and II, and geometry,
- algebra I and II, and one unit beyond algebra II, or
- integrated math I, II, and III.

It is recommended that prospective students take a mathematics course unit in the twelfth grade.

Three course units in **science**, including

- at least one unit in a life or **biological science** (for example, biology),
- at least one unit in **physical science** (for example, physical science, chemistry, physics), and
- at least one **laboratory course**.

Two course units in **social studies**, including one unit in **U.S. history**, but an applicant who does not have the unit in U.S. history may be admitted on the condition that at least three semester hours in that subject will be passed by the end of the sophomore year.

¹ The standard course of study required for graduation from the North Carolina School of Science and Mathematics shall meet or exceed these minimum course requirements. See G.S. 116-235.

Effective in Fall 2006

Six course units in **language**, including

- four units in **English** emphasizing grammar, composition, and literature, and
- two units of a **language other than English**.

Four course units of **mathematics**, in any of the following combinations:

- algebra I and II, geometry, and one unit beyond algebra II,
- algebra I and II, and two units beyond algebra II, or
- integrated math I, II, and III, and one unit beyond integrated math III.

(The fourth unit of math affects applicants to all institutions except the North Carolina School of the Arts.) It is recommended that prospective students take a mathematics course unit in the twelfth grade.

Three course units in **science**, including

- at least one unit in a life or **biological science** (for example, biology),
- at least one unit in **physical science** (for example, physical science, chemistry, physics), and
- at least one **laboratory course**.

Two course units in **social studies**, including one unit in **U.S. history**, but an applicant who does not have the unit in U.S. history may be admitted on the condition that at least three semester hours in that subject will be passed by the end of the sophomore year.

Articulation with Graduation Requirements in the North Carolina Public High Schools

Following the board's change in minimum course requirements, the North Carolina State Board of Education revised the requirements for high school graduation by offering four courses of study: (1) career; (2) college tech prep; (3) college prep; and (4) occupational. These requirements are summarized below. Option 3 tracks the UNC minimum course requirements closely. For more information, please see the link below to the Department of Public Instruction.

ncpublicschools.org/newsroom/news/2006-07/20070608-02

Notification of Stakeholders and Educational Policymakers

The President is directed to develop plans and further recommendations to inform key stakeholders and educational policymakers of the changes in requirements.

II. MINIMUM ADMISSIONS REQUIREMENTS (for HS GPA and SAT scores)

All applicants for first-time admission as freshmen must meet minimum high school GPA and SAT scores. The minimum combined SAT score (on mathematics and critical reading) for admission is 700 or a composite ACT of 15. The SAT (ACT) minimum score is effective for students entering in Fall 2009. The minimum SAT score will be increased to 750 or ACT composite of 16 for students entering in Fall 2011. The minimum SAT score will increase to 800 or ACT composite of 17 for students entering in Fall 2013 and beyond.

The minimum high school GPA for first-time freshmen beginning in Fall 2009 is 2.0. The minimum high school GPA requirement will increase to 2.3 for students entering in Fall 2011 and will increase again to 2.5 for students entering in Fall 2013 and beyond.

The maximum number of chancellor's exceptions is limited to one percent (1%) of the total number of applicants accepted as new freshmen each year. A chancellor's exception may be applied to the SAT minimum requirement and/or the GPA minimum requirement.

Students entering in Fall	Minimum GPA	Minimum SAT	Minimum ACT
Fall 2009	2.0	700	15
Fall 2010	2.0	700	15
Fall 2011	2.3	750	16
Fall 2012	2.3	750	16
Fall 2013 and beyond	2.5	800	17

III. OTHER ADMISSIONS REQUIREMENTS

All applicants for admission to any campus, except those exempted by current campus policies, must submit a standardized test score. The SAT I is preferred, but students may also submit the ACT.

Students applying for admission for fall 2006 or after, for whom standardized test scores are required, must submit either the new SAT I (which includes the writing component) or the ACT with the writing component. The ACT without the writing component will not be acceptable as a standardized test for admission after the spring semester of 2006.

The President may establish regulations to implement this policy.

Early College High Schools on UNC Campuses

Constituent institutions of the University of North Carolina may enter into a contract with one or more North Carolina school districts to establish an Early College High School. Such high schools will provide regular high school course work and when college readiness is demonstrated, college-level course work for the Early College High School student. Students enrolling in college-level course work will have a distinct classification as an Early College High School Student (ECHS) and will not be degree seeking students at the constituent institution. Upon completion of high school, such students may be admitted as regular degree seeking students subject to the University's requirements for admission.

Students participating in an Early College High School will be identified and tracked in the University data system and will be placed in a unique category for Early High School students.

The President is authorized to establish regulations for the implementation of Early College High Schools at constituent institutions.

Out-of-State Undergraduate Enrollment

To insure that constituent institutions maintain a level of out-of-state undergraduate enrollment consistent with historical University policy and tradition, and one consistent with strong and balanced educational programs, it is recommended that the Board of Governors adopt this statement of policy:¹

- (a) Each constituent institution, except the North Carolina School of the Arts, shall take necessary steps to limit the proportion of out-of-state students in the entering freshman class to not more than 18 percent by the fall of 1988. In any instance in which a chancellor believes that his institution would suffer serious problems or hardships in reaching this limit within the time provided, he may petition the President and the Board of Governors for an extension of time to meet the 18 per cent limit, which petition may be granted on an annual basis not to extend beyond the fall of 1990. The petition shall set forth the reason for the request, the steps taken by the institution in furtherance of the policy, and the progress made. The chancellor shall furnish such other information as may be requested by the President.
- (b) The President shall monitor progress toward this goal, and shall make interim reports on fall 1986, and fall 1987, enrollments to the board.
- (c) The board shall review this policy in 1988-89 and consider then whether amendments should be made or further measures adopted.
- (d) It is the board's expectation that institutions will admit only academically well-qualified out-of-state students. In any year in which the average combined SAT score for out-of-state freshmen is below that for North Carolina freshmen, the President shall require a written report from the chancellor. The President will include in his interim reports to the board information on the average combined SAT scores for both groups of freshmen.
- (e) Beginning with the fall of 1994, any constituent institution, except the North Carolina School of the Arts, that exceeds the 18% out-of-state freshman enrollment limitation prescribed in paragraph (a) above for two consecutive fiscal years shall have its State operating budget reduced. This reduction shall be made in the second fiscal year in which the two consecutive fiscal year condition is violated; the reduction shall be made, on a non-recurring basis, immediately after the Board of Governors approves the annual enrollment report at its November meeting. The budget reduction shall be based on the number of out-of-state freshmen enrolled in excess of the 18% limitation and the established method used for calculating the operating requirements for regular term enrollment changes.

¹ The North Carolina School of Science and Mathematics may not admit or enroll out-of-state students. See G.S. 116-235.

Chart of Accounts Memorandum Number 5
February 14, 1979

Preparation and Presentation of Statistical Data in Budgets and the Monthly Report on the Budget (BD701) is shown in *Attachment 7*.

Authorization of Tuition for 2010-11

The following RESOLUTION for the 2010-11 academic year reflects the tuition increases approved by the Board of Governors. The 2009 General Assembly previously established tuition rates for the University for 2010-11 that increased existing rates by the lesser of \$200 or 8% with revenues of \$34,776,301 reverting to the General Fund. This legislative increase was to be applicable to both resident and nonresident students at both the undergraduate and graduate levels. While the 2009 law prohibited the Board of Governors from authorizing different 2010-11 tuition rates for North Carolina residents, the President recommended that the Board ask the legislature to reconsider its action on 2010-11 rates when they reconvened in May 2010, and accept the alternative rates submitted by the campuses and as recommended by the Board.

The 2010 General Assembly did allow UNC to implement the alternative BOG proposal and the resulting tuition revenues of \$34,442,447 will remain on the campuses. A related special provision (see page 2) directed each campus to expend at least 25% on need-based student financial aid.

In addition, to help the University protect the quality of a UNC education, the 2010 General Assembly also authorized each UNC campus to implement a supplemental tuition increase of up to \$750 to help offset the impact of state budget cuts. These increases are in addition to the tuition increases approved by the Board in February. Supplemental increases, as approved by the President in July 2010, range from \$250 to \$750; five UNC campuses opted to phase in the increase over two years. All revenues generated must be used to protect academic quality and provide need-based financial aid.

RESOLUTION AUTHORIZING TUITION

WHEREAS, G.S. 116-143 requires that the Board of Governors of the University of North Carolina shall fix the tuition and fees, not inconsistent with the actions of the General Assembly, at the constituent institutions of the University.

NOW, THEREFORE, BE IT RESOLVED, that, effective with the Fall Term, 2010 the constituent institutions are authorized to charge and collect the following tuition rates.

2010-11 Tuition Rates

The tuition and fee policy of the Board of Governors provides a framework for the Board to use in reviewing and approving increases in tuition and fees on an annual basis. Additionally, in October 2006, the Board adopted a four-year plan for campuses to follow in recommending **undergraduate resident tuition and general fees rate** increases. Chancellors recommended tuition rate increases consistent with the tuition and fee guidelines established by the Board of Governors.

The 2009 General Assembly previously established tuition rates for the University for 2010-11 that increased existing rates by the lesser of \$200 or 8% with revenues of \$34,776,301 reverting to the General Fund. This legislative increase was to be applicable to both resident and nonresident students at both the undergraduate and graduate levels. While the 2009 law prohibited the Board of Governors from authorizing different 2010-11 tuition rates for North Carolina residents, the President recommended that the Board ask the legislature to reconsider its action on 2010-11 rates when they reconvened in May 2010, and accept the alternative rates submitted by the campuses and as recommended by the Board.

The 2010 General Assembly did allow UNC to implement the alternative BOG proposal and the resulting tuition revenues of \$34,442,447 will remain on the campuses. A related special provision directed each campus to expend at least 25% on need-based student financial aid.

CAMPUS INITIATED TUITION INCREASES/TWENTY-FIVE PERCENT FOR STUDENT FINANCIAL AID

SECTION 9.20.(a) Section 9.23 of S.L. 2009-451 is repealed.

SECTION 9.20.(b) All campus initiated tuition increases approved by the Board of Governors of The University of North Carolina may be implemented; however, each campus that implements the tuition increase shall expend at least twenty-five percent (25%) of the increase on need-based student financial aid and may use as much of the remaining tuition income as needed to fully meet need-based student financial aid needs on that campus.

The tuition increases as approved by the Board in February are shown below:

Institution	Resident UG	Nonres. UG	Resident GRAD	Nonres. GRAD
ASU	\$152.00	\$843.00	\$181.00	\$858.00
ECU	90.00	880.00	108.00	479.00
ECSU	109.00	697.00	116.00	713.00
FSU	124.00	245.00	147.00	239.00
NCA&T	110.00	110.00	125.00	125.00
NCCU	113.00	617.00	147.00	670.00
NCSU	150.00	200.00	200.00	200.00
UNCA	155.00	917.00	184.00	936.00
UNC-CH	200.00	927.00	200.00	532.00
UNCC	103.00	538.00	120.00	546.00
UNCG	168.00	168.00	198.00	198.00
UNCP	113.00	113.00	113.00	113.00
UNCW	52.00	269.00	59.00	273.00
UNCSA	200.00	612.00	200.00	634.00
WCU	137.00	137.00	157.00	157.00
WSSU	115.00	115.00	115.00	115.00

In addition, to help the University protect the quality of a UNC education, the 2010 General Assembly authorized each UNC campus to implement a supplemental tuition increase of up to \$750 to help offset the impact of state budget cuts. These increases were in addition to the tuition increases approved by the Board in February. Supplemental increases, as approved by the President in July 2010, range from \$250 to \$750; five UNC campuses opted to phase in the increase over two years. All revenues generated must be used to protect academic quality and provide need-based financial aid. The related special provision follows:

UNC MANAGEMENT FLEXIBILITY REDUCTION

SECTION 3.4.(a) Section 9.19 of S.L. 2009-451, reads as rewritten by Section 9.13 of S.L. 2010-31, reads as rewritten:

"SECTION 9.19. The management flexibility reduction for The University of North Carolina shall not be allocated by the Board of Governors to the constituent institutions and affiliated entities using an across-the-board method but in a manner that recognizes the importance of the academic mission and differences among The University of North Carolina entities. Before taking reductions in instructional budgets, the Board of Governors and the campuses of the constituent institutions shall consider reducing budgets for senior and middle management personnel, centers and institutes, low enrollment degree programs, speaker series, and nonacademic activities. The Board of Governors and the campuses of the constituent institutions also shall review the institutional trust funds and the special funds held by or on behalf of ~~the~~ The University of North Carolina and its constituent institutions to determine whether there are monies available in those funds that can be used to assist with operating costs before taking reductions in instructional budgets. In addition, the campuses of the constituent institutions also shall require their faculty to have a teaching workload equal to the national average in their Carnegie classification. Budget reductions shall not be considered in funding available for need-based financial aid.

Notwithstanding any other provision of law, ~~for the 2010-2011 fiscal year only,~~ the constituent institutions may, with the approval of the President of The University of North Carolina, increase tuition by up to seven hundred fifty dollars ~~(\$750.00) per academic year.~~ (\$750.00), and may implement the

increase over the 2010-11 and 2011-12 academic years. This increase shall be in addition to other increases authorized for the ~~fiscal year 2010-2011 and 2011-2012 fiscal years~~. At least twenty percent (20%) of these funds shall be used to provide need-based financial aid to students. The remaining balance of these funds shall be used only to offset the institutions' management flexibility reductions funds:

- (1) Shall be used to offset the institutions' management flexibility reductions.
- (2) May, if it is necessary to implement an additional one percent (1%) management flexibility reduction pursuant to Section 2.3 of this act to backfill enhanced FMAP funds, also be used to offset the additional one percent (1%) management flexibility reduction and to meet reversion requirements."

The supplemental tuition rate increases are as follows for undergraduate students:

Institution	Resident Undergraduate				Nonresident Undergraduate		
	2010-11	2011-12	Total		2010-11	2011-12	Total
ASU	\$467.74		\$467.74		\$467.74		\$467.74
ECU	300.00	263.00	563.00		750.00		750.00
ECSU	414.28		414.28		414.28		414.28
FSU	100.00	150.00	250.00		100.00	150.00	250.00
NCA&T	517.00		517.00		517.00		517.00
NCCU	435.00		435.00		435.00		435.00
NCSU	750.00		750.00		750.00		750.00
UNCA	82.00	346.80	428.80		375.00	375.00	750.00
UNC-CH	750.00		750.00		750.00		750.00
UNCC	425.00		425.00		425.00		425.00
UNCG	485.00		485.00		485.00		485.00
UNCP	250.00	218.00	468.00		250.00	218.00	468.00
UNCW	411.50		411.50		411.50		411.50
UNCSA	750.00		750.00		750.00		750.00
WCU	572.80		572.80		572.80		572.80
WSSU	390.00	233.00	623.00		550.00	200.00	750.00

The supplemental tuition rate increases are as follows for graduate students:

Institution	Resident Graduate				Nonresident Graduate		
	2010-11	2011-12	Total		2010-11	2011-12	Total
ASU	\$467.74		\$467.74		\$467.74		\$467.74
ECU	27.00	387.00	414.00		27.00	387.00	414.00
ECSU	414.31		414.31		415.00		415.00
FSU	100.00	150.00	250.00		100.00	150.00	250.00
NCA&T	517.00		517.00		517.00		517.00
NCCU	435.00		435.00		435.00		435.00
NCSU	750.00		750.00		750.00		750.00
UNCA	95.00	346.80	441.80		375.00	375.00	750.00
UNC-CH	750.00		750.00		750.00		750.00
UNCC	425.00		425.00		425.00		425.00
UNCG	485.00		485.00		485.00		485.00
UNCP	250.00	218.00	468.00		250.00	218.00	468.00
UNCW	412.60		412.60		412.60		412.60
UNCSA	750.00		750.00		750.00		750.00
WCU	572.80		572.80		572.80		572.80
WSSU	500.00	140.00	640.00		600.00	150.00	750.00

Total increases (BOG & supplemental) are reflected in the new rates shown on pages 8-9.

A. Previously Board-approved Tuition Increases in Professional Schools:

The following tuition increases for professional schools were approved by the Board of Governors during its February 2007 and February 2008 meetings for the 2010-11 fiscal year. At those meetings, the Board approved tuition increases for professional schools for multi-year periods. These increases will become effective in the fall semester 2010.

North Carolina Central University

School of Law	\$1,000 for 2010-11
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UNC-Chapel Hill

School of Law	\$500 increase (nonresidents only) for 2010-11
School of Dentistry (DDS Candidate)	\$1,500 (residents only) for 2010-11

B. Increases in Tuition for Professional Schools

Five campuses proposed tuition increases for 2010-11 at their professional schools. The rates require Board of Governors' approval.

East Carolina University

<u>School of Medicine</u>	\$426 (residents) and \$1,000 (nonresidents) in 2010-11
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ECU requested a \$1,000 tuition increase for resident and nonresident students in the medical school. This is in addition to the campus-initiated tuition increase proposed for resident graduate students (\$108) and nonresident graduate students (\$479). The additional revenue will be used to support need-based financial aid and academic support infrastructure costs. UNC-GA is recommending that the increase on NC residents be \$426.

North Carolina Central University

Masters of Library Science	\$300 in 2010-11
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NCCU proposes a \$300 increase for the Masters of Library Science in the School of Library and Information Sciences. This increase is in addition to the proposed campus-based tuition increase for resident graduate students (\$147) and nonresident graduate students (\$670). The additional revenue supports need-based financial aid, improvement of library resources in digital and diversity librarianship, faculty and staff development, and improvements in technology in the digital laboratory and classrooms.

North Carolina Central University (cont.)

Masters of Public Administration \$300 in 2010-11

NCCU proposes a \$300 increase for the Masters of Public Administration in the College of Behavioral Sciences. This increase is in addition to the proposed campus-based tuition increase for resident graduate students (\$147) and nonresident graduate students (\$670). The additional revenue supports need-based financial aid, enhancement of student orientation services, expanded workshops and professional development sessions to expose students to local and national public sector leaders, and provide additional funds for faculty development and community outreach.

UNC-Chapel HillSchool of Business

Masters of Accounting \$1,268 for nonresidents in 2010-11

Masters of Business Administration \$1,268 for nonresidents in 2010-11

The UNC-CH School of Business requests \$1,268 for nonresidents for the MBA and MAC programs in 2010-11. These increases are in addition to the proposed campus-based tuition increase of \$532 for nonresident graduate students. The funds will be used to address need-based financial aid and faculty retention and recruitment issues. The additional revenue would also support curriculum development and improved program infrastructure in the areas of Admissions, Career Services, and Student Services.

School of Dentistry

DDS \$2,000 for nonresidents in 2010-11

UNC-CH's School of Dentistry is requesting an increase of \$2,000 for nonresidents. This increase is in addition to the proposed campus-based tuition increase of \$532 for nonresident graduate students. The additional revenue supports financial aid, faculty recruitment and retention, curriculum development, expanded program development to keep pace with the vast array of changing knowledge that must be included in a modern dental educational curriculum, and community outreach.

School of Medicine/Allied Health Sciences

Rehabilitation Counseling & Psychology \$2,050 for nonresidents in 2010-11

Occupational Therapy \$2,050 for nonresidents in 2010-11

Speech-Language Pathology \$2,050 for nonresidents in 2010-11

Molecular Diagnostic Science \$2,050 for nonresidents in 2010-11

Audiology \$2,050 for nonresidents in 2010-11

Physical Therapy \$2,050 for nonresidents in 2010-11

UNC-CH School of Medicine requests an increase of \$2,050 for nonresidents for the programs in the Department of Allied Health Sciences. This increase is in addition to the proposed campus-based tuition increase of \$532 for nonresident graduate students. Funding will support financial aid, retention efforts, and provide additional resources for clinical training sites. In addition, the proposed revenue will fund labs, equipment and software needed to enhance research experiences.

UNC Charlotte

Masters of Architecture & Urban Design \$815 for residents and nonresidents in 2010-11

The School of Architecture at UNC Charlotte requested a \$1,750 tuition increase for all students for the Masters of Architecture and Urban Design. These increases are in addition to the proposed campus-based tuition increase for resident graduate students (\$120) and nonresident graduate students (\$546). Funding will support need-based financial aid, recruitment efforts, professional development and resources for students, and enhancement of specialized technology resources. UNC-GA is recommending that the increase on NC residents be \$815. At the request of UNCC, the nonresident rate has also been reduced to be consistent with GA's recommendation for resident students.

Masters of Health Administration \$615 for residents and nonresidents in 2010-11

The College of Health and Human Services at UNC Charlotte requested a \$1,350 tuition increase for all students for the Masters of Health Administration. These increases are in addition to the proposed campus-based tuition increase for resident graduate students (\$120) and nonresident graduate students (\$546). Funding will support need-based financial aid, recruitment efforts, professional development and resources for students, and increased course offerings. UNC-GA is recommending that the increase on NC residents be \$615. At the request of UNCC, the nonresident rate has also been reduced to be consistent with GA's recommendation for resident students.

Western Carolina University

Master of Science in Nursing \$397 (residents) and \$1,258 (nonresidents) in 2010-11
 Certified Registered Nurse Anesthetist

The original request submitted in 2007-08 was to increase tuition by \$4,800 per year. The Board recommended the increase be implemented over three years and approved a \$1,500 increase in 2007-08. WCU submitted a \$1,500 increase request for 2008-09--the Board approved only a \$1,000 increase in tuition for 2008-09. In 2009-10, WCU proposed a \$1,000 increase but withdrew the request during discussions with the Board of Governors. WCU is requesting an increase of \$1,258 for 2010-11, which would leave about a \$1,000 remaining (nonresidents) to reach the desired overall increase of \$4,800. The revenue generated will be used to partially fund an increase in a faculty position from .50 FTE to 1.00 FTE. This will bring the total faculty FTE for this program to 3.00. The additional revenue would also support student and faculty travel to represent WCU at the state and national level increasing the nurse anesthesia program's visibility and support operating costs associated with program delivery. UNC-GA recommended that the increase on NC residents be \$397.

C. Increases in Regular Tuition Rates (includes BOG and supplemental increases)

Institution		N.C. Residents			Nonresidents		
		From	To	%	From	To	%
North Carolina State University	<i>Undergraduate</i>	3,953.00	4,853.00	22.8%	16,438.00	17,388.00	5.8%
	<i>Graduate</i>	4,408.00	5,358.00	21.6%	16,456.00	17,406.00	5.8%
School of Veterinary Medicine							
D.V.M. Candidate	<i>Graduate</i>	9,352.00	10,302.00	10.2%	32,115.00	33,065.00	3.0%
Veterinary Graduate	<i>Graduate</i>	4,408.00	5,358.00	21.6%	16,456.00	17,406.00	5.8%
School of Management							
Masters of Accounting	<i>Graduate</i>	11,220.00	12,170.00	8.5%	23,206.00	24,156.00	4.1%
Masters of Business Admin.	<i>Graduate</i>	12,533.00	13,483.00	7.6%	25,066.00	26,016.00	3.8%
Masters of Global Innovation Management	<i>Graduate</i>	12,533.00	13,483.00	7.6%	25,066.00	26,016.00	3.8%
College of Design							
Bachelor of Architecture (5th year)	<i>Undergraduate</i>	4,953.00	5,853.00	18.2%	17,438.00	18,388.00	5.4%
Masters of Architecture	<i>Graduate</i>	5,408.00	6,358.00	17.6%	17,456.00	18,406.00	5.4%
Masters of Landscape Architecture	<i>Graduate</i>	5,408.00	6,358.00	17.6%	17,456.00	18,406.00	5.4%
Masters of Art and Design	<i>Graduate</i>	5,408.00	6,358.00	17.6%	17,456.00	18,406.00	5.4%
Masters of Graphic Design	<i>Graduate</i>	5,408.00	6,358.00	17.6%	17,456.00	18,406.00	5.4%
Masters of Industrial Design	<i>Graduate</i>	5,408.00	6,358.00	17.6%	17,456.00	18,406.00	5.4%
UNC-Chapel Hill							
Academic Affairs	<i>Undergraduate</i>	3,865.00	4,815.00	24.6%	21,753.00	23,430.00	7.7%
	<i>Graduate</i>	5,413.00	6,363.00	17.6%	19,811.00	21,093.00	6.5%
School of Journalism & Mass Comm.	<i>Graduate</i>	7,996.00	8,946.00	11.9%	21,235.00	22,517.00	6.0%
School of Law	<i>Graduate</i>	13,002.00	13,952.00	7.3%	26,320.00	28,102.00*	6.8%
School of Business							
Masters of Accounting	<i>Graduate</i>	16,733.00	17,683.00	5.7%	33,466.00	36,016.00**	7.6%
MBA Candidate	<i>Graduate</i>	20,525.00	21,475.00	4.6%	41,050.00	43,600.00	6.2%
School of Government (MPA)	<i>Graduate</i>	5,413.00	6,363.00	17.6%	19,811.00	21,093.00**	6.5%
School of Social Work (MSW)	<i>Graduate</i>	5,713.00	6,663.00	16.6%	19,861.00	21,143.00	6.5%
Health Affairs							
School of Pharmacy	<i>Graduate</i>	5,413.00	6,363.00	17.6%	19,811.00	21,093.00	6.5%
Pharm D Candidate	<i>Graduate</i>	12,769.00	13,719.00	7.4%	29,921.00	31,203.00	4.3%
School of Nursing	<i>Undergraduate</i>	3,865.00	4,815.00	24.6%	21,753.00	23,430.00	7.7%
	<i>Graduate</i>	5,413.00	6,363.00	17.6%	19,811.00	21,093.00	6.5%
School of Public Health	<i>Undergraduate</i>	3,865.00	4,815.00	24.6%	21,753.00	23,430.00	7.7%
	<i>Graduate</i>	6,279.00	7,229.00	15.1%	19,920.00	21,202.00	6.4%
MPH, MHA, MSPH	<i>Graduate</i>	7,279.00	8,229.00	13.1%	20,920.00	22,202.00	6.1%
School of Dentistry							
D.D.S. Candidate	<i>Graduate</i>	16,435.00	18,885.00 *	14.9%	29,317.00	32,599.00**	11.2%
Dental Hygiene	<i>Undergraduate</i>	3,865.00	4,815.00	24.6%	21,753.00	23,430.00	7.7%
Dental Auxiliary	<i>Undergraduate</i>	3,865.00	4,815.00	24.6%	21,753.00	23,430.00	7.7%
Dental Graduate	<i>Graduate</i>	7,014.00	7,964.00	13.5%	21,533.00	22,815.00	6.0%
School of Medicine							
M.D. Candidate	<i>Graduate</i>	11,607.00	12,557.00	8.2%	35,673.00	36,955.00	3.6%
RCP, OT, SLP, MDS, AuD, PT	<i>Graduate</i>	7,913.00	8,863.00	12.0%	21,361.00	24,693.00**	15.6%
Medical Technology	<i>Undergraduate</i>	3,865.00	4,815.00	24.6%	21,753.00	23,430.00	7.7%
Medicine Graduate	<i>Graduate</i>	5,413.00	6,363.00	17.6%	19,811.00	21,093.00	6.5%
East Carolina University	<i>Undergraduate</i>	2,491.00	2,881.00	15.7%	13,325.00	14,955.00	12.2%
	<i>Graduate</i>	2,995.00	3,130.00	4.5%	13,311.00	13,817.00	3.8%
Masters of Business Admin.	<i>Graduate</i>	4,795.00	4,930.00	2.8%	15,111.00	15,617.00	3.3%
Masters of Science in Accounting	<i>Graduate</i>	4,795.00	4,930.00	2.8%	15,111.00	15,617.00	3.3%
School of Medicine	<i>Graduate</i>	8,213.00	9,497.00**	15.6%	33,203.00	35,432.00**	6.7%

***C. Increases in Regular Tuition Rates (includes BOG and supplemental increases)
(continued)***

Institution		North Carolina Residents			Nonresidents		
		From	To	%	From	To	%
N.C. A & T State University	<i>Undergraduate</i>	1,994.00	2,621.00	31.4%	11,436.00	12,063.00	5.5%
	<i>Graduate</i>	2,266.00	2,908.00	28.3%	11,851.00	12,493.00	5.4%
UNC-Charlotte	<i>Undergraduate</i>	2,516.00	3,044.00	21.0%	13,128.00	14,091.00	7.3%
	<i>Graduate</i>	2,919.00	3,464.00	18.7%	13,326.00	14,297.00	7.3%
Masters of Accountancy	<i>Graduate</i>	7,919.00	8,464.00	6.9%	18,326.00	19,297.00	5.3%
Masters of Architecture	<i>Graduate</i>	2,919.00	4,279.00**	46.6%	13,326.00	15,112.00**	13.4%
Masters of Business Admin.	<i>Graduate</i>	7,919.00	8,464.00	6.9%	18,326.00	19,297.00	5.3%
Masters of Health Admin.	<i>Graduate</i>	2,919.00	4,079.00**	39.7%	13,326.00	14,912.00**	11.9%
Masters of Science in Economics	<i>Graduate</i>	7,919.00	8,464.00	6.9%	18,326.00	19,297.00	5.3%
Masters of Science in Mathematical	<i>Graduate</i>	7,919.00	8,464.00	6.9%	18,326.00	19,297.00	5.3%
Masters of Urban Design	<i>Graduate</i>	2,919.00	4,279.00**	46.6%	13,326.00	15,112.00**	13.4%
UNC-Greensboro	<i>Undergraduate</i>	2,590.00	3,243.00	25.2%	14,351.00	15,004.00	4.6%
	<i>Graduate</i>	3,044.00	3,727.00	22.4%	14,524.00	15,207.00	4.7%
School of Business							
Masters of Accounting	<i>Graduate</i>	4,724.00	5,407.00	14.5%	16,204.00	16,887.00	4.2%
Masters of Business Admin.	<i>Graduate</i>	4,724.00	5,407.00	14.5%	16,204.00	16,887.00	4.2%
Masters of Science in Info. Technology	<i>Graduate</i>	4,724.00	5,407.00	14.5%	16,204.00	16,887.00	4.2%
Appalachian State University	<i>Undergraduate</i>	2,341.00	2,960.74	26.5%	12,962.00	14,272.74	10.1%
	<i>Graduate</i>	2,779.00	3,427.74	23.3%	13,193.00	14,518.74	10.0%
Fayetteville State University	<i>Undergraduate</i>	1,905.00	2,129.00	11.8%	12,248.00	12,593.00	2.8%
	<i>Graduate</i>	2,255.00	2,502.00	11.0%	11,942.00	12,281.00	2.8%
North Carolina Central University	<i>Undergraduate</i>	2,264.00	2,812.00	24.2%	12,333.00	13,385.00	8.5%
	<i>Graduate</i>	2,936.00	3,518.00	19.8%	13,395.00	14,500.00	8.2%
School of Law	<i>Graduate</i>	5,916.00	7,498.00*	26.7%	18,654.00	20,759.00*	11.3%
Masters of Public Administration	<i>Graduate</i>	2,936.00	3,818.00**	30.0%	13,395.00	14,800.00**	10.5%
Masters of Library Science	<i>Graduate</i>	2,936.00	3,818.00**	30.0%	13,395.00	14,800.00**	10.5%
UNC Pembroke	<i>Undergraduate</i>	2,060.00	2,423.00	17.6%	11,267.00	11,630.00	3.2%
	<i>Graduate</i>	2,159.00	2,522.00	16.8%	11,486.00	11,849.00	3.2%
UNC Wilmington	<i>Undergraduate</i>	2,565.00	3,028.50	18.1%	13,447.00	14,127.50	5.1%
	<i>Graduate</i>	2,949.00	3,420.60	16.0%	13,663.00	14,348.60	5.0%
School of Business							
Masters of Accounting	<i>Graduate</i>	3,452.00	3,933.60	14.0%	14,162.00	14,857.60	4.9%
Masters of Business Admin.	<i>Graduate</i>	3,452.00	3,933.60	14.0%	14,162.00	14,857.60	4.9%
Western Carolina University	<i>Undergraduate</i>	2,106.00	2,815.80	33.7%	11,703.00	12,412.80	6.1%
	<i>Graduate</i>	2,414.00	3,143.80	30.2%	11,999.00	12,728.80	6.1%
Certified RN Anesthetist	<i>Graduate</i>	4,715.00	5,684.80**	20.6%	14,300.00	16,130.80**	12.8%
Winston-Salem State University	<i>Undergraduate</i>	1,769.00	2,274.00	28.5%	10,755.00	11,420.00	6.2%
	<i>Graduate</i>	2,228.00	2,843.00	27.6%	11,414.00	12,129.00	6.3%
UNC Asheville	<i>Undergraduate</i>	2,389.00	2,626.00	9.9%	14,106.00	15,398.00	9.2%
	<i>Graduate</i>	2,831.00	3,110.00	9.9%	14,395.00	15,706.00	9.1%
Elizabeth City State University	<i>Undergraduate</i>	1,681.00	2,204.28	31.1%	10,730.00	11,841.28	10.4%
	<i>Graduate</i>	1,785.00	2,315.31	29.7%	10,965.00	12,093.00	10.3%
UNC School of the Arts							
College	<i>Undergraduate</i>	3,357.00	4,307.00	28.3%	15,303.00	16,665.00	8.9%
	<i>Graduate</i>	3,996.00	4,946.00	23.8%	15,869.00	17,253.00	8.7%
High School		0.00	0.00	N/A	7,761.00	8,821.00	13.7%

* This amount includes an increase previously approved by BOG for 2010-11.

* *This amount includes a proposed professional school increase and may also include the proposed campus-based increase for all graduate students.

I. Special Tuition Rates

A. Nonresident Undergraduate Students

Consistent with the General Statutes and by authorization of the Board of Governors through a resolution passed by the Board in 1983, the campuses are authorized to charge special tuition rates for nonresident undergraduate students.

To qualify for the special rate, a student must have a special talent in academics and the performing arts. For these students, the nonresident tuition rate is reduced by either \$834 or \$950 depending on the Carnegie classification of the institution in 1983. At the time, these amounts approximated half of the nonresident tuition charged to students but do not nearly have the same impact today. Appropriations were made by the legislature to each campus to offset the cost of the tuition waiver.

Effective with the Fall Term of 2010, the special tuition rates for qualifying nonresident undergraduates are shown on the following page. The new rates reflect the tuition increases in Section I.

**Special Tuition Rates for Qualifying
Nonresident Undergraduate Students
2010-11**

Institution	Regular Rate		Special Rate Partial Tuition	
	From	To	From	To
North Carolina State University	16,438.00	17,388.00	15,488.00	16,438.00
College of Design				
Bachelor of Architecture (5th year)	17,438.00	18,388.00	16,488.00	17,438.00
UNC-Chapel Hill				
Academic Affairs	21,753.00	23,430.00	20,803.00	22,480.00
School of Nursing	21,753.00	23,430.00	20,803.00	22,480.00
School of Public Health	21,753.00	23,430.00	20,803.00	22,480.00
School of Dentistry				
Dental Hygiene	21,753.00	23,430.00	20,803.00	22,480.00
Dental Auxiliary	21,753.00	23,430.00	20,803.00	22,480.00
School of Medicine				
Medical Technology	21,753.00	23,430.00	20,803.00	22,480.00
East Carolina University	13,325.00	14,955.00	12,375.00	14,005.00
N.C. A & T State University	11,436.00	12,063.00	10,486.00	11,113.00
UNC Charlotte	13,128.00	14,091.00	12,178.00	13,141.00
UNC Greensboro	14,351.00	15,004.00	13,401.00	14,054.00
Appalachian State University	12,962.00	14,272.74	12,012.00	13,322.74
Fayetteville State University	12,248.00	12,593.00	11,298.00	11,643.00
North Carolina Central University	12,333.00	13,385.00	11,383.00	12,435.00
UNC Pembroke	11,267.00	11,630.00	10,317.00	10,680.00
UNC Wilmington	13,447.00	14,127.50	12,497.00	13,177.50
Western Carolina University	11,703.00	12,412.80	10,753.00	11,462.80
Winston-Salem State University	10,755.00	11,420.00	9,805.00	10,470.00
UNC Asheville	14,106.00	15,398.00	13,272.00	14,564.00
Elizabeth City State University	10,730.00	11,841.28	9,896.00	11,007.28
UNC School of the Arts	15,303.00	16,665.00	14,469.00	15,831.00

II. Special Tuition Rates (continued)

B. Nonresident Graduate Students

Consistent with the General Statutes and by authorization of the Board of Governors through a resolution passed by the Board in 1983, the campuses are authorized to charge special tuition rates for nonresident graduate students.

For nonresident graduate students that are awarded a graduate teaching or research assistantship and who are paid a stipend of at least \$2,000 per academic year, the institution may award tuition remission to reduce the nonresident tuition rate to the in-state rate. For an example, the nonresident graduate student tuition rate is proposed to increase from \$13,193 to \$14,501 at ASU. ASU graduate nonresident students that are eligible to receive tuition remission will be charged the resident tuition rate, which is proposed to increase from \$2,779 to \$2,960 for the 2010-11 academic year.

Each campus has a state budget for graduate tuition remissions and some campuses supplement state funds from non-state sources. Institutions may not provide graduate tuition remissions to all students. The number of awards is limited to those that meet the criteria and the budget availability.

Effective with the Fall Term of 2010, the special tuition rates for qualifying nonresident graduates are shown on the following two pages. The new rates reflect the tuition increases in Section I.

**Special Tuition Rates for Qualifying
Nonresident Graduate Students
2010-11**

Institution	Regular Rate		Special Rate Tuition Remission	
	From	To	From	To
North Carolina State University	16,456.00	17,406.00	4,408.00	5,358.00
School of Veterinary Medicine				
D.V.M. Candidate	32,115.00	33,065.00	9,352.00	10,302.00
Veterinary Graduate	16,456.00	17,406.00	4,408.00	5,358.00
School of Management				
Masters of Accounting	23,206.00	24,156.00	11,220.00	12,170.00
Masters of Business Admin.	25,066.00	26,016.00	12,533.00	13,483.00
Masters of Global Innovation Management	25,066.00	26,016.00	12,533.00	13,483.00
College of Design				
Masters of Architecture	17,456.00	18,406.00	5,408.00	6,358.00
Masters of Landscape Architecture	17,456.00	18,406.00	5,408.00	6,358.00
Masters of Art and Design	17,456.00	18,406.00	5,408.00	6,358.00
Masters of Graphic Design	17,456.00	18,406.00	5,408.00	6,358.00
Masters of Industrial Design	17,456.00	18,406.00	5,408.00	6,358.00
UNC-Chapel Hill				
Academic Affairs	19,811.00	21,093.00	5,413.00	6,363.00
School of Journalism & Mass Comm.	21,235.00	22,517.00	7,996.00	8,946.00
School of Law	26,320.00	28,102.00	13,002.00	13,952.00
School of Business				
Masters of Accounting	33,466.00	36,016.00	16,733.00	17,683.00
MBA Candidate	41,050.00	43,600.00	20,525.00	21,475.00
School of Government (MPA)	19,811.00	21,093.00	5,413.00	6,363.00
School of Social Work (MSW)	19,861.00	21,143.00	5,713.00	6,663.00
Health Affairs				
School of Pharmacy				
Graduate	19,811.00	21,093.00	5,413.00	6,363.00
Pharm D Candidate	29,921.00	31,203.00	12,769.00	13,719.00
School of Nursing	19,811.00	21,093.00	5,413.00	6,363.00
School of Public Health				
Graduate	19,920.00	21,202.00	6,279.00	7,229.00
MPH, MHA, MSPH	20,920.00	22,202.00	7,279.00	8,229.00
School of Dentistry				
D.D.S. Candidate	29,317.00	32,599.00	16,435.00	18,885.00
Dental Graduate	21,533.00	22,815.00	7,014.00	7,964.00
School of Medicine				
M.D. Candidate	35,673.00	36,955.00	11,607.00	12,557.00
RCP, OT, SLP, MDS, AuD, PT	21,361.00	24,693.00	7,913.00	8,863.00
Medicine Graduate	19,811.00	21,093.00	5,413.00	6,363.00

**Special Tuition Rates for Qualifying
Nonresident Graduate Students
2010-11**

Institution	Regular Rate		Special Rate Tuition Remission	
	From	To	From	To
East Carolina University	13,311.00	13,817.00	2,995.00	3,130.00
Masters of Business Admin.	15,111.00	15,617.00	4,795.00	4,930.00
Masters of Science in Accounting	15,111.00	15,617.00	4,795.00	4,930.00
School of Medicine	33,203.00	35,432.00	8,213.00	9,497.00
N.C. A & T State University	11,851.00	12,493.00	2,266.00	2,908.00
UNC-Charlotte	13,326.00	14,297.00	2,919.00	3,464.00
School of Business				
Masters of Accountancy	18,326.00	19,297.00	7,919.00	8,464.00
Masters of Architecture	13,326.00	15,112.00	2,919.00	4,279.00
Masters of Business Admin.	18,326.00	19,297.00	7,919.00	8,464.00
Masters of Health Admin.	13,326.00	14,912.00	2,919.00	4,079.00
Masters of Science in Economics	18,326.00	19,297.00	7,919.00	8,464.00
Masters of Science in Mathematical Finance	18,326.00	19,297.00	7,919.00	8,464.00
Masters of Urban Design	13,326.00	15,112.00	2,919.00	4,279.00
UNC-Greensboro	14,524.00	15,207.00	3,044.00	3,727.00
School of Business				
Masters of Accounting	16,204.00	16,887.00	4,724.00	5,407.00
Masters of Business Admin.	16,204.00	16,887.00	4,724.00	5,407.00
Masters of Science in Information Technology & Management	16,204.00	16,887.00	4,724.00	5,407.00
Appalachian State University	13,193.00	14,518.74	2,779.00	3,427.74
Fayetteville State University	11,942.00	12,281.00	2,255.00	2,502.00
North Carolina Central University	13,395.00	14,500.00	2,936.00	3,518.00
School of Law	18,654.00	20,759.00	5,916.00	7,498.00
Masters of Public Admin.	13,395.00	14,800.00	2,936.00	3,818.00
Masters of Business Admin.	13,395.00	14,800.00	2,936.00	3,818.00
UNC Pembroke	11,486.00	11,849.00	2,159.00	2,522.00
UNC Wilmington	13,663.00	14,348.60	2,949.00	3,420.60
Masters of Accounting	14,162.00	14,857.60	3,452.00	3,933.60
Masters of Business Admin.	14,162.00	14,857.60	3,452.00	3,933.60
Western Carolina University	11,999.00	12,728.80	2,414.00	3,143.80
Certified RN Anesthetist	14,300.00	16,130.80	4,715.00	5,684.80
Winston-Salem State University	11,414.00	12,129.00	2,228.00	2,843.00
UNC Asheville	14,395.00	15,706.00	2,831.00	3,110.00
Elizabeth City State University	10,965.00	12,093.00	1,785.00	2,315.31
UNC School of the Arts	15,869.00	17,253.00	3,996.00	4,946.00

III. Tuition for Students Enrolled in Degree-Credit Distance Education Courses

Distance education students are charged on a per-credit-hour basis, rather than a “stair-step” methodology charged to regular-term students. The Distance Education per-credit-hour tuition rate is derived by dividing regular term tuition costs by 29.6 for undergraduates and 20.4 for graduate students. Since distance education students are not charged athletic, health, and student activity fees, the cost of education is considerably lower than students that are taking courses using face-to-face instruction.

Effective with the fall semester 2010, resident students and nonresident students taking courses within North Carolina that are enrolled in distance education courses be charged the regular-term tuition rates established in Section I. It is recommended that tuition rates for these students be implemented on a per-credit-hour basis and that the charge per credit hour be calculated as follows:

- For undergraduate courses, the rate per student credit hour would be the annual rate divided by 29.6 hours.
- For graduate courses, the rate per student credit hour would be the annual rate divided by 20.4 hours.

It is recommended that the Board delegate to the President the authority to set tuition rates for nonresident students taking courses outside North Carolina. These are students who primarily take courses via the Internet.

1000.2.2

Adopted 10/14/77
Amended 02/08/91
Amended 10/12/01
Amended 08/11/06
Amended 02/12/10

WAIVER OF TUITION AND FEES FOR FACULTY AND STAFF

WHEREAS, N.C.G.S. § 116-143(d) authorizes the Board of Governors, in its discretion, to provide regulations whereby statutorily described faculty and staff within the University of North Carolina may each take not more than two courses per year tuition-free and to specify when fees may be waived.

NOW, THEREFORE, the Board of Governors hereby:

1. Authorizes application of the tuition-waiver provision of N.C.G.S. § 116-143(d) at any constituent institution of the University of North Carolina, the North Carolina School of Science and Mathematics, the University of North Carolina Health Care System, and General Administration by faculty and staff of the University as conditioned by N.C.G.S. § 116-143(d) and authorizes any of these institutions to waive fees for faculty and staff who are eligible to take courses with tuition waived.
2. Authorizes the President to issue such additional rules and regulations as may be required or useful for uniform application throughout the University of the tuition and fees waiver privilege.

Guidelines on In-State Tuition for North Carolina Teachers

North Carolina Session Law 1997-443 (effective July 1, 1997, and codified as N.C.G.S. § 116-143.5), states:

§ 116-143.5 Tuition of certain teachers.

Notwithstanding G.S. 116-143.1, any teacher or other personnel paid on the teacher salary schedule who (i) has established a legal residence (domicile) in North Carolina and (ii) is employed full-time by a North Carolina public school, shall be eligible to be charged the in-State tuition rate for courses relevant to teacher certification or to professional development as a teacher. (1997-443, s. 8.22(c).)

The statute confers the in-state tuition rate on certain North Carolina teachers, irrespective of their length of legal residence, for courses they may take for teacher certification or professional development as a teacher.

These regulations are intended to reflect the determination (1) that a teacher who has entered into a contract for services that would qualify the teacher for the contemplated tuition benefit may be treated in the same manner as one who has begun to render services under such a contract; and, (2) that the declaration required under these regulations to verify the existence of certain circumstances underlying eligibility for the tuition benefit may be issued by one other than the applicant's employing principal where assignment to a particular school has not yet been made.

In accordance with its provisions, the statute shall be implemented within the University as follows:

1. An applicant for the benefit of N.C.G.S. § 116-143.5 must be a teacher or other person paid on the North Carolina teacher salary schedule incident to full-time employment by a North Carolina public school. "Full-time employment" means employment under which the employee's aggregate of duties qualifies the applicant for membership in the Teachers' and State Employees' Retirement System (TSERS) or would so qualify the applicant if employed on a permanent basis. The applicant must provide a written declaration from the principal of the applicant's employing school verifying the applicant's employment status as a full-time employee paid on the North Carolina teacher salary schedule. An applicant shall be treated as "employed" if, with respect to an eligible public school position, the applicant either (1) has begun rendering employment services or (2) has contracted to render services. If the applicant has not yet been assigned to a specific school, the declaration may be submitted by the superintendent or other knowledgeable official of the school system that has contracted for the applicant's services.
2. The applicant must be a North Carolina legal resident (domiciliary), of any duration, as determined by the enrolling institution with reference to N.C.G.S. § 116-143.1 and *A Manual to Assist the Public Higher Education Institutions of North Carolina In the Matter of Student Residence Classification for Tuition Purposes*. Determinations with respect to legal residence may be appealed as provided by the residence *Manual* and the *Policies and Procedures of the State Residence Committee*.
3. The applicant must be found to have established North Carolina legal residence prior to commencement of the course(s) for which the benefit of N.C.G.S. § 116-143.5 is sought.

- 4.** Any course for which the tuition benefit may be received must be “relevant to teacher certification or to professional development as a teacher.” The applicant must provide to the enrolling institution a written declaration to that effect from the principal of the applicant’s employing school. If the applicant has not yet been assigned to a specific school, the declaration may be submitted by the superintendent or other knowledgeable official of the school system that has contracted for the applicant’s services.
- 5.** Application for the tuition benefit shall be permitted with respect only to academic terms commencing on or after the date on which the applicant delivers in proper order, an application for the benefit, including all supporting forms, declarations, and materials.
- 6.** The constituent institutions shall furnish to each applicant for tuition waiver an application form on which the applicant shall be required to enter at least the following:
 - a.** The applicant’s name, permanent residential address, current mailing address, name of each course for which the waiver is sought, the applicant’s personal signature, and date of the application.
 - b.** A statement that there is attached to the form a written declaration executed by the principal of the public school employing the applicant, or, where school assignment has not yet occurred, the superintendent or other knowledgeable official of the school system that has contracted for the applicant’s services, verifying that:
 - (1)** the applicant is a full-time employee of the declarant’s public school or school system such that the applicant qualifies for membership in the Teachers’ and State Employees’ Retirement System (TSERS), or would so qualify if employed on a permanent basis;
 - (2)** the applicant is paid on the North Carolina teacher salary schedule; and,
 - (3)** each course (which must be named by the declarant in the declaration) is relevant to the applicant’s teacher certification or to professional development as a teacher.
 - c.** A statement that there is attached to the form a properly completed residence-and-tuition status application for the academic term(s) pertinent to the requested tuition benefit.

[This is a rewrite of Administrative Memorandum #384.]



The University of North Carolina

OFFICE OF THE PRESIDENT

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October 4, 2005

MEMORANDUM

TO: The Chancellors

FROM: Molly Corbett Broad *MCB*

SUBJECT: Scholarship Student Special Provision

Following our discussion at the last Administrative Council meeting of the special provision on scholarship students, now codified as G.S. §116-143.6, several of you forwarded questions related to implementing the provision. This memorandum will address those questions. Since the meeting, we have consulted with both the House and the Senate concerning the fiscal implications of the provision. We now have concurrence from both chambers that, in the future, funding for the students considered to be "residents" under G.S. §116-143.6 *will be requested* by the Board of Governors as a component of its annual request to the General Assembly for enrollment growth funds.

The following guidelines outline the requirements of the special provision and address issues you have raised.

1. Constituent institutions may consider as resident students, for tuition and all other purposes, nonresident students who receive a full scholarship from entities recognized by the institution. Participation by constituent institutions is optional. Constituent institutions participating must do so based on a resolution by its Board of Trustees. The resolution of the Board of Trustees can be approved at any time but cannot apply to students who accepted admission before July 1, 2005.
2. Only undergraduate students may be considered residents pursuant to this provision.
3. A student who receives a "full" scholarship is one who receives a grant or grants that cover tuition, mandatory fees, room and board for the academic year in which the student is to be considered a resident.
4. The scholarship must come from one or more entities recognized in the Board of Trustees resolution. This list may include both entities with which the constituent institution has a formal relationship and entities which do not have a formal relationship with the constituent institution. If an entity is recognized by the Board of Trustees, all students receiving full scholarships from that entity must be treated as resident students in accordance with this provision.

Appalachian State
University

East Carolina
University

Elizabeth City
State University

Fayetteville State
University

North Carolina
Agricultural and
Technical State
University

North Carolina
Central University

North Carolina
School of
the Arts

North Carolina
State University
at Raleigh

University of
North Carolina
at Asheville

University of
North Carolina
at Chapel Hill

University of
North Carolina
at Charlotte

University of
North Carolina
at Greensboro

University of
North Carolina
at Pembroke

University of
North Carolina
at Wilmington

Western Carolina
University

Winston-Salem
State University

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Affirmative Action
Employer

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5. An institution may phase in this provision by recognizing only a limited number of entities initially and then approving an amendment to add other recognized entities.
6. Neither the constituent institution itself, nor a fund of the constituent institution, may be a recognized entity. However, the institution's endowment may be a recognized entity if it is awarding scholarships that are derived totally from private funding sources.
7. A full scholarship may not include grants from State or federal funds distributed by the University or administered by the State Education Assistance Authority.
8. Constituent institutions may include students considered residents pursuant to this section as in-State students in its enrollment funding request.
9. Nonresident students considered residents pursuant to this section must be separately flagged for data collection purposes.

I hope these guidelines address the issues that you have identified.

Adopted 10/14/77
Amended 11/14/97
Amended 08/04/98
Amended 2/12/10

TUITION WAIVER FOR CERTAIN FAMILY OF DECEASED OR DISABLED EMERGENCY WORKERS

The General Assembly has provided the privilege of tuition-free enrollment to certain family of deceased or totally disabled emergency workers of the State and directed that the Board of Governors of the University of North Carolina promulgate rules and regulations necessary for the implementation of the statute with respect to the constituent institutions of the University of North Carolina.

1. Definitions.

- a. “Educational program” means either:
 - (1) those courses taken within the University of North Carolina in fulfillment of requirements for a degree, certificate, or certification; or
 - (2) any course or aggregation of courses within the University of North Carolina not taken with respect to pursuit of a degree, certificate, or certification.
- b. “Emergency worker” means a firefighter, volunteer firefighter, law enforcement officer, or rescue squad worker.
- c. “Employer” means the State of North Carolina or any of its departments, agencies, and institutions; or a county, city, town, or other political subdivision of the State.
- d. “Firefighter” or “volunteer firefighter” means a fireman eligible under N.C.G.S. § 58-86-25 for membership in the North Carolina Firemen’s and Rescue Squad Workers’ Pension Fund.
- e. “Law enforcement officer” means:
 - (1) an employee or volunteer of an employer who (a) possesses the power of arrest, (b) has taken the law enforcement oath administered under authority of the State as prescribed by N.C.G.S. § 11-11, and (c) is certified as a law enforcement officer under the provisions of N.C.G.S. Chapter 17C or is certified as a deputy sheriff under the provisions of N.C.G.S. Chapter 17E; or
 - (2) the sheriff of a county of this State.
- f. “Legal resident” or “resident” means a domiciliary of North Carolina without reference to duration of domicile. The determination of legal residence shall be made in accordance with *A Manual to Assist the Public Higher Education Institutions of North Carolina in the Matter of Student Residence Classification for Tuition Purposes*, as amended. Determinations with respect to legal residence may be appealed as provided by the residence *Manual* and the *Policies and Procedures of the State Residence Committee*.

- g.** “Permanently and totally disabled as a direct result of a traumatic injury sustained in the line of duty” means a person who:
- (1) as a law enforcement officer, firefighter, volunteer firefighter, or rescue squad worker suffered a disabling injury while in active service or training for active service;
 - (2) at the time of active service or training was a North Carolina legal resident; or
 - (3) has been determined to be permanently and totally disabled for compensation purposes by the North Carolina Industrial Commission.
- h.** “Rescue squad worker” means any member of a rescue squad or an emergency medical services squad eligible under N.C.G.S. § 58-86-30 for membership in the North Carolina Firemen’s and Rescue Squad Workers’ Pension Fund.
- i.** “Survivor” means any person whose parent or spouse:
- (1) was a law enforcement officer, a firefighter, a volunteer firefighter, or a rescue squad worker;
 - (2) was killed on or after October 1, 1997, while in active service or training for active service or died on or after October 1, 1997, as a result of a service-connected disability; and
 - (3) was a North Carolina legal resident at the time of active service or training for active service.
- “Survivor” does not mean the remarried widow or widower of a law enforcement officer, firefighter, volunteer firefighter, or rescue squad worker.
- j.** "Tuition" means the amount charged for registering for a credit hour of instruction and shall not mean any other fees or charges or costs of textbooks.

- 2. Eligible persons.** The tuition waiver privilege of N.C.G.S. Chapter 115B shall be available only to the following persons:
- a.** ~~A legal resident of North Carolina who is 65 years of age or older prior to commencement of the academic term for which tuition waiver is sought. (repealed)~~
 - b.** A survivor who is a child of the deceased emergency worker, without regard to the survivor’s legal residence or age.
 - c.** A survivor who is the unremarried widow or widower of a deceased emergency worker, without regard to the survivor’s legal residence or age; however, the tuition waiver shall not be granted with respect to any academic term commencing after remarriage of the widow or widower, or be denied by reason of the elapse of time while the widow or widower is in either enrolled or non-enrolled status.

- d. The spouse of an emergency worker who became permanently and totally disabled on or after October 1, 1997, as a direct result of a traumatic injury sustained in the line of duty as an emergency worker. The tuition waiver shall not be denied by reason of the elapse of time while the spouse of the disabled emergency worker is in either enrolled or non-enrolled status. Neither the legal residence nor the age of the emergency worker's spouse is material in determining the spouse's eligibility for tuition waiver.
- e. A child, at least age 17 but not yet 24, whose parent became permanently and totally disabled on or after October 1, 1997, as a direct result of a traumatic injury sustained in the line of duty as an emergency worker; provided, that the tuition waiver:
 - (1) shall not be extended beyond 54 consecutive calendar months incident to an educational program in pursuit of a baccalaureate degree;
 - (2) shall not be extended beyond the time period necessary to complete the relevant educational program through consecutive regular-term academic semesters, carrying a "normal" (full) academic load, if incident to an educational program in pursuit of a certificate, certification, or a degree other than the baccalaureate degree; and,
 - (3) shall be available for course enrollments after the student reaches age 24 only if the enrollments are part of an educational program in pursuit of a degree, certificate, or certification that was begun before the student reached age 24 and all other pertinent requirements of N.C.G.S. Chapter 115B are met.

The legal residence of the child of the disabled parent is not material in determining the child's eligibility for tuition waiver.

- 3. **Academic qualifications.** To receive tuition waiver for a given course, a person shall first meet all institutional requirements with respect to institutional admission, course enrollment, and any other standards deemed appropriate by the enrolling institution; provided, that institutional requirements for course enrollment tuition-free under these regulations shall include the requirement that there be space available for enrollment tuition-free in any course for which tuition waiver is sought.
- 4. **Student status.** This tuition waiver privilege may apply to courses taken under any student status recognized under institutional policy (e.g., degree candidate, special student, auditor); provided, that tuition waiver shall be available only for courses for which a tuition charge is set and normally levied.
- 5. **Other scholarship awards.** If a person who receives tuition waiver under N.C.G.S. Chapter 115B as the survivor, spouse, or child of an emergency worker also receives a cash scholarship, from whatever source, paid or payable to the enrolling institution, the amount of the scholarship shall be applied to the credit of the person in payment of expenses incident to the person's attendance at the institution, and, if the terms of the scholarship permit, any balance shall be returned to the student.
- 6. **FTE accounting.** Persons attending classes under the tuition-waiver privilege of these regulations shall be counted in the computation of institutional enrollment for funding purposes.
- 7. **Implementation; proof of eligibility.** The chancellor of each constituent institution, or the chancellor's delegate, shall have authority to make those determinations required under these

regulations for application of the tuition-waiver privilege; and the chancellor, or the chancellor's delegate, may require such proof as he or she deems necessary to insure that a person applying to the respective institution for tuition waiver is eligible for the benefits provided under these regulations for the pertinent course(s).

With respect to applications for tuition waiver from spouses and children of disabled emergency workers and from survivors of emergency workers, each institution shall include in its required proof of eligibility, the following:

- a. To demonstrate a parent-child relationship, submission of a birth certificate, legal adoption papers, or other documentary evidence deemed appropriate by the institution.
 - b. To demonstrate a marital relationship, submission of a marriage certificate or other documentary evidence deemed appropriate by the institution.
 - c. To evidence the cause of death of an emergency worker, submission of certification of death from the records of (1) the Department of State Treasurer, (2) the appropriate city or county law enforcement agency that employed the deceased, (3) the administrative agency for the fire department or fire protection district recognized for funding under the Department of State Auditor, or (4) the administrative agency having jurisdiction over any paid firefighters of all counties and cities.
 - d. To evidence permanent and total disability of an emergency worker, submission of documentation from the North Carolina Industrial Commission deemed necessary by the institution.
8. **Timely application.** Application for the tuition benefit shall be permitted with respect only to academic terms commencing on or after the date on which the applicant delivers in proper order, an application for the benefit, including all supporting forms, documents, and materials.
9. **Multiple educational programs.**
 - a. Tuition waivers under N.C.G.S. Chapter 115B may be extended to a student for more than one educational program if the student qualifies for the tuition waiver with respect to each enrollment incident to each educational program.
 - b. Tuition waivers shall not be afforded to a student with respect to more than one educational program at any one time.
 - c. Tuition waivers shall not be afforded to a student with respect to simultaneous enrollment at two or more constituent institutions unless each simultaneous enrollment is incident to one educational program.
10. **Reapplication.** Following enrollment with tuition waiver under any provision of N.C.G.S. Chapter 115B, a student shall reapply for tuition waiver:
 - a. Incident to enrollment for any succeeding academic year under the same educational program;

- b.** After any break in enrollment for successive regular-term academic semesters; or,
 - c.** Incident to initial enrollment in any subsequent educational program, irrespective of when in the academic year that program will commence.
- 11. Crime of misrepresentation.** Before a person is accorded tuition waiver pursuant to these regulations, that person shall be informed by the constituent institution to which he or she has applied, of the criminal penalties authorized by N.C.G.S. § 115B-6 with respect to conviction for (a) willfully misrepresenting eligibility for tuition benefits provided under these regulations or (b) knowingly aiding or abetting an applicant to misrepresent his or her eligibility; namely, that guilt of such acts constitutes a misdemeanor for which the offender, upon conviction thereof, shall be fined not more than fifty dollars (\$50.00) or imprisoned for not more than 30 days, or both.
- 12. Supplemental guidance.** The President is authorized to issue such additional guidance and policies, not inconsistent with these regulations, as the President may deem appropriate to assist the institutions to implement N.C.G.S. Chapter 115B.
- 13. Repealed.**
- 14. Repealed.**

Tuition Surcharge Guidelines

This guideline provides a framework for implementing a tuition surcharge on undergraduates as required by North Carolina General Statute § 116-143.7 as codified by Section 9.10(a) of Session Law 2009-451.

I. Surcharge

The Board of Governors of the University of North Carolina shall ensure that procedures are established that are necessary to impose a twenty-five percent (25%) tuition surcharge prior to the 2010-2011 academic year and a fifty percent (50%) tuition surcharge beginning with the 2010-2011 academic year on students who take more than 140 degree credit hours to complete a baccalaureate degree in a four-year program or more than one hundred ten percent (110%) of the credit hours necessary to complete a baccalaureate degree in any program officially designated by the Board of Governors as a five-year program. The calculation of the credit hours taken at the constituent institution or accepted for transfer shall include courses failed by the student or that are not completed unless officially dropped by the student pursuant to the academic policy of the appropriate institution. The calculation of the credit hours taken shall exclude hours earned through the College Board's Advanced Placement or CLEP examination, through institutional advanced placement or course validation, or through summer term or extension programs. No surcharge shall be imposed on any student who exceeds the degree credit hour limits within the equivalent of four academic years of regular term enrollment, or within five academic years of regular term enrollment in a degree program officially designated by the Board of Governors as a five-year program.

II. Waiver

Upon application by a student, the tuition surcharge shall be waived if the student demonstrates that any of the following have substantially disrupted or interrupted the student's pursuit of a degree: (i) a military service obligation, (ii) serious medical debilitation, (iii) a short-term or long-term disability, or (iv) other extraordinary hardship. (See Appendix A for the language and terms applicable to the waiver procedure).

III. Effective Date

Effective beginning with the 2009-2010 academic year, all undergraduates seeking a baccalaureate degree at a constituent institution will be subject to the requirements listed herein. Effective beginning with the 2010-2011 academic year, the tuition surcharge will be raised from 25% to 50%.

IV. "Counted Credit Hours"

The undergraduate credit hours to be counted for this requirement include: (1) those courses taken at the constituent institution or accepted for transfer, (2) failed courses, and (3) those courses not completed unless officially dropped by the student consistent with the academic policy of the appropriate constituent institution. All credit hours transferred shall be included for tuition surcharge calculation purposes regardless of their application to the student's major or minor, unless otherwise exempted consistent with this guideline. However, the following credit hours shall be excluded from the calculation: (1) those earned through the College Board's Advanced Placement (AP) and College Level Examination Program (CLEP) or similar programs, (2) those earned through institutional advanced placement, course validation, or any similar procedure for awarding course credit, and (3) those earned through summer session or extension programs on the campus or at another institution. In addition, and consistent with this guideline, credit hours taken while enrolled as a high school student shall be excluded from the tuition surcharge calculation.

V. Students Subject to the Surcharge

The surcharge shall be imposed on all counted credit hours in excess of the threshold defined below for each of the following three categories of undergraduates:

- A. For students earning a first baccalaureate degree in a program that requires no more than 128 credit hours, the surcharge shall be applied to all counted credit hours in excess of 140.
- B. For students earning a first baccalaureate degree in a board-approved program that requires more than 128 counted credit hours, the surcharge shall be applied to all credit hours that exceed 110 percent of the credit hours required for the degree. Such programs include those that have been officially designated by the Board of Governors as five-year programs, and combined bachelor's/master's degrees.
- C. For students earning a baccalaureate degree other than their first, the surcharge shall be applied to all counted credit hours that exceed 110 percent of the minimum additional credit hours needed to earn the additional baccalaureate degree.

VI. Students Exempt from the Surcharge

The surcharge shall not be imposed on undergraduates who:

- A. Complete a first baccalaureate degree program that has not been officially designated by the Board of Governors as a five-year program and whose counted credit hours were taken in eight (8) or fewer regular term semesters or the equivalent; or
- B. Complete a first baccalaureate degree program that has been officially designated by the Board of Governors as a five-year program and whose counted credit hours were taken in ten (10) or fewer regular term semesters or the equivalent.

VII. How to Calculate the Surcharge

The surcharge shall be imposed on tuition charged in the current semester and in subsequent semesters where a student's cumulative credit hours total – with that semester's course load included – exceeds the threshold. The surcharge does not apply to required fees.

Appendix A*
Waiver ProcedureI. Definitions

With respect to the provisions of North Carolina General Statute § 116-143.7(c) the following terms are defined:

- A. "Military Service Obligation" shall mean the performance of duty on a voluntary or involuntary basis in connection with service in the Armed Forces, Reserves, or National Guard including, but not limited to; active duty, active duty for training, initial active duty for training, and inactive duty training.
- B. "Serious Medical Debilitation" shall mean an illness, injury, impairment, or physical or mental condition requiring; (a) inpatient care in a hospital, hospice, or residential medical care facility; or (b) continuing treatment by a health care provider; provided that such incapacity did not result from the student's violation of University policy or the commission of a felony.
- C. "Disability" shall mean a mental or physical incapacity that causes the performance of the student's academic commitments to become impossible or impractical; provided that such incapacity did not result from the student's violation of University policy or the commission of a felony.
- D. "Other Extraordinary Hardship" shall mean a hardship of any kind which, despite responsible handling, resulted in the substantial disruption or interruption of the student's pursuit of a degree.

II. Documentation Requirements

In order to demonstrate the applicability of a waiver category the student shall provide the following documentation:

- A. Military Service Obligation: verification of the student's voluntary or involuntary performance of a duty in connection with service in the Armed Forces, Reserves, or National Guard including, but not limited to; active duty, active duty for training, initial active duty for training, and inactive duty training.
- B. Serious Medical Debilitation: certification issued by the treating health care professional(s) stating each of the following:
 - 1. The approximate date on which the Serious Medical Debilitation commenced.
 - 2. The extent to which the serious medical condition has impacted the student's pursuit of a degree.
 - 3. The relevant and appropriate medical facts regarding the condition.
- C. Short-Term Disability: certification issued by the treating health care professional(s) stating each of the following:
 - 1. The approximate date on which the Short-Term Disability commenced.
 - 2. The extent to which the student's physical or mental incapacity has impacted the student's pursuit of a degree.
 - 3. The relevant and appropriate medical facts regarding the condition.
 - 4. That, to the best of the treating health care professional's knowledge, the student's disability is not permanent.

**Note that this Appendix A – Waiver Procedure – is a part of UNC Policy 1000.1.5[G] adopted 08/17/2010.*

D. Long-Term Disability

Certification issued by the treating health care professional stating each of the following:

1. The approximate date on which the Long-Term Disability commenced.
2. The extent to which the student's physical or mental incapacity has impacted the student's pursuit of a degree.
3. The relevant and appropriate medical facts regarding the condition.
4. That, to the best of the treating health care professional's knowledge, the student's disability is likely to be permanent.

E. Extraordinary Hardship: verification of any circumstances which, despite responsible handling, led to the substantial disruption or interruption of the student's pursuit of a degree.

III. Tuition Surcharge Waiver Process

A. Constituent Institution

A constituent institution shall:

1. Include with the student's bill that applies the tuition surcharge: (1) a tuition surcharge waiver form including, at a minimum, the information contained in Attachment 1, and (2) a copy of this guideline.
2. Establish procedures by which the institution shall receive each tuition surcharge waiver request.
3. Establish procedures by which the waiver request shall be reviewed and determined by a committee of no fewer than three (3) members, excluding initial decision makers when reasonably possible, drawn from departments whose expertise is relevant to the waiver category upon which the student's waiver request is based.
4. Establish procedures by which the student shall be informed of the institution's final decision within thirty (30) business days of receipt of the waiver request and Student Accounts shall be informed in a timely fashion.

B. Student

A student who wishes to request a tuition surcharge waiver shall:

1. Complete and submit a tuition surcharge waiver request form provided by the constituent campus, and
2. In a manner consistent with the UNC Policy Manual 1000.1.5 [G] including Appendix A, and to the satisfaction of the constituent institution:
 - a. Demonstrate that his/her pursuit of a degree has been substantially disrupted or interrupted and that the reason for such substantial disruption or interruption fits within one of the four waiver categories enumerated above and defined in Appendix A, and;

**Note that this Appendix A – Waiver Procedure – is a part of UNC Policy 1000.1.5[G] adopted 08/17/2010.*

Attachment 6

Policy 1000.1.5[G]
Adopted 08/17/2010

- b. Meet the necessary documentation requirements that accompany each waiver category as articulated in Appendix A, and;
- c. Successfully complete and submit the form to the institution within thirty (30) business days of receiving written notice of the tuition surcharge.

Written notification of the result of the waiver request shall be provided to the student within thirty (30) business days from the date of receipt by the institution. The determination of the institution shall be the final decision.

**Note that this Appendix A – Waiver Procedure – is a part of UNC Policy 1000.1.5[G] adopted 08/17/2010.*

Attachment 1**

Minimum Content Required for the Tuition Surcharge Waiver Form

I. Student Information

- A. Student's Name and Address
- B. Student's Email Address
- C. Student's Identification Number
- D. Student's Major(s)/Degree Program
- E. Other

II. Basis for Waiver Request

The following four waiver categories constitute the only grounds for waiver of the tuition surcharge (select one of the following):

- A. Military Service Obligation
- B. Serious Medical Debilitation
- C. Short-term or Long-Term Disability
- D. Other Extraordinary Hardship

III. Documentation Requirements

Attach to this form the necessary documentation requirements that correspond with the waiver category selected in section II. Documentation not included with this form will not be considered.

IV. Form Completion and Submission

Once this form has been timely completed in its entirety, including the necessary information and documents listed in sections I, II, and III, the form shall be submitted to the institution for consideration.

***Note that this Attachment 1 – Minimum Content Required for the Tuition Surcharge Waiver Form – is a part of UNC Policy 1000.1.5[G] adopted 08/17/2010.*

THE UNIVERSITY OF NORTH CAROLINA

General Administration

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CHAPEL HILL 27514

L. FELIX JOYNER
Vice President — Finance

TELEPHONE: (919) 933-6981

February 14, 1978

CHART OF ACCOUNTS MEMORANDUM NO. 5

TO: Chief Fiscal Officers

FROM: L. Felix Joyner, Vice President-Finance



SUBJECT: Preparation and Presentation of Statistical Data in Budgets and the Monthly Report on the Budget (BD 701)

Each institution was previously furnished certified/recast budget formats which were used as guides in the conversion of the continuation budgets to the Chart of Accounts, Second Edition. Also, these formats will serve as guides in the preparation of budget requests, certified budgets, and the Monthly Report on the Budget (BD 701). The purpose of this memorandum, which is approved by the Division of State Budget and Management, is to provide a comprehensive reference for the preparation and presentation of the STATISTICAL DATA section of those documents.

These descriptions are effective for the entire 1977-78 fiscal year; all statistical data presented subsequent to the date of this memorandum are to utilize these definitions. When it becomes necessary to revise budgeted data elements, an appropriate and approved BD 606 form will be required by the Division of State Budget and Management.

Academic and auxiliary budgets and reports should contain only those statistical data elements prescribed by this memorandum. Other budgets and reports which contain statistical data elements comparable to the ones described here should also adhere to these preparations and presentations.

ACADEMIC BUDGET

The statistical data section of the academic budget is outlined as follows, with the five numbered columns coinciding with the numbered columns appearing on the BD 701 report, i.e. (1) = Purpose and/or objects, (2) = Budget, (3) = Transactions this month, (4) = Transactions quarter to date, and (5) = Transactions fiscal year to date. The placement of a x in the outline indicates where numeral values are required in the BD 701 report.

<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>(4)</u>	<u>(5)</u>
<u>STATISTICAL DATA</u>				
Student Enrollment (Equated)				
Regular Term	x	x	x	x
Resident Students	x	x	x	x
Non-Resident Students	x	x	x	x
Summer Term	x	x	x	x
Resident Students	x	x	x	x
Non-Resident Students	x	x	x	x
Extension Instruction	x	x	x	x
Regular Term Full-Time Equivalent Teaching Positions	x	x		x
Regular Term Students per Teacher	x	x		x
Employee Summary by Activity/Purpose				
101 Regular Term Instruction	x	x		x
102 Summer Term Instruction	x	x		x
103 Extension Instruction	x	x		x
110 Organized Research	x	x		x
142 Community Services	x	x		x
151 Libraries	x	x		x
152 General Academic Support	x	x		x
160 Student Services	x	x		x
170 Institutional Support	x	x		x
180 Physical Plant Operations	x	x		x
Total	x	x		x

Student Enrollment (Equated), Regular Term is based on the number of credit hours for which individual undergraduate, graduate, and first professional students, and the number of units for which individual high school students, are registered during regular academic terms.

This component includes only degree-credit registrations of full-time and part-time academic-level students enrolled in courses creditable toward a degree offered by the institution. It includes "specially talented" students enrolled under G.S. 116-143, and older citizens enrolled tuition-free under Chapter 981, 1977 Session Laws, but excludes faculty and staff members enrolled tuition-free under G.S. 116-143 (as amended by Chapter 605, HB 1071, 1977 Session Laws). It excludes registrations for correspondence courses, adult education courses, special non-credit courses, short courses, individual lessons, and audited courses. Except for certain health science programs, registrations for extension instruction and summer term instruction are excluded from this calculation.

The registration determination is based on the following formulas which are applied separately to each enrolled student for each regular term.

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Page 3

For undergraduate students and a semester schedule:

- 1) When registered for 12 or more credit hours, count as one (1) full-time equivalent (FTE) student.
- 2) When registered for at least 9 but fewer than 12 credit hours, count as three-fourths (.75) FTE student.
- 3) When registered for at least 6 but fewer than 9 credit hours, count as one-half (.5) FTE student.
- 4) When registered for fewer than 6 credit hours, count as one-fourth (.25) FTE student.

For graduate and first professional students and a semester schedule:

- 1) When registered for 9 or more credit hours, count as one (1) full-time equivalent (FTE) student.
- 2) When registered for at least 6 but fewer than 9 credit hours, count as three-fourths (.75) FTE student.
- 3) When registered for at least 3 but fewer than 6 credit hours, count as one-half (.5) FTE student.
- 4) When registered for fewer than 3 credit hours, count as one-fourth (.25) FTE student.

For undergraduate students and a trimester schedule:

- 1) When registered for 8 or more credit hours, count as one (1) full-time equivalent (FTE) student.
- 2) When registered for at least 6 but fewer than 8 credit hours, count as three-fourths (.75) FTE student.
- 3) When registered for at least 4 but fewer than 6 credit hours, count as one-half (.5) FTE student.
- 4) When registered for fewer than 4 credit hours, count as one-fourth (.25) FTE student.

For high school students and a trimester schedule:

- 1) When registered for 1 1/3 or more units, count as one (1) full-time equivalent (FTE) student.
- 2) When registered for at least 1 but fewer than 1 1/3 units, count as three-fourths (.75) FTE student.
- 3) When registered for at least 2/3 but fewer than 1 unit, count as one-half (.5) FTE student.
- (4) When registered for fewer than 2/3 units, count as one-fourth (.25) FTE student.

For graduate students and a trimester schedule:

- 1) When registered for 6 or more credit hours, count as one (1) full-time equivalent (FTE) student.
- 2) When registered for at least 4 but fewer than 6 credit hours, count as three-fourths (.75) FTE student.
- 3) When registered for at least 2 but fewer than 4 credit hours, count as one-half (.5) FTE student.
- (4) When registered for fewer than 2 credit hours, count as one-fourth (.25) FTE student.

The number of FTE students to be reported is the summation of the determinations for each student. One person may not contribute more than one (1) FTE student to the total number of FTE students.

This calculation is derived upon termination of the drop/add period (the census date) for each regular term and, once correctly derived, is not changed during that term. This measure is the reportable value and is initially reported for the month and quarter which contain the census date.

Each regular term is a separately measured time period. Column (2) contains the number of budgeted FTE students. The measurements reported in columns (3) and (4) are applicable to only the current regular term and to the month and quarter which contain the term's census date. The measurement reported in column (5) is an average (arithmetic mean) of the measurements for the regular terms during the fiscal year-to-date.

Student Enrollment (Equated), Regular Term, Resident Students is based on the number of credit hours for which individual undergraduate, graduate, and first professional resident students, and the number of units for which individual high school resident students, are registered during regular academic terms. This determination is comparable to the computation described above except that it includes only resident students.

Student Enrollment (Equated), Regular Term, Non-Resident Students is based on the number of credit hours for which individual undergraduate, graduate, and first professional non-resident students, and the number of units for which individual high school non-resident students, are registered during regular academic terms. This determination is comparable to the computation described above except that it includes only non-resident students.

Student Enrollment (Equated), Summer Term is based on the number of credit hours for which undergraduate, graduate, and first professional students, exclusive of regular term and extension instruction students, are registered for summer term instruction. Also, it is affected by the number of units for which high school students are registered for summer term instruction.

This component includes registrations of full-time and part-time academic-level students enrolled in degree-credit courses offered by the institution. It includes "specially talented" students enrolled under G.S. 116-143, and older citizens enrolled tuition-free under Chapter 981, 1977 Session Laws, but excludes faculty and staff members enrolled tuition-free under G.S. 116-143 (as amended by Chapter 605, HB 1071, 1977 Session Laws). It excludes registrations for correspondence courses, adult education courses, special non-credit courses, short courses, individual lessons, and audited courses.

The registration determination is based on the following formulas.

First, the measure of total student-credit hours is determined upon termination of the drop/add period (the census date) for each regular and special summer session. Total student-credit hours is the sum of the products after multiplying the number of students by the number of credit hours. For example, if, on a census date, nine students are registered for seven credit hours each, eighteen

students are registered for six credit hours each, and twelve students are registered for three credit hours each, the measure of student-credit hours will be as follows (Graduate students registered for thesis only at zero credit hours are included as though registered for three credit hours.):

<u>No. of Students</u>	<u>No. of Credit Hours Each</u>	<u>Student- Credit Hours</u>
9	7	63
18	6	108
12	3	<u>36</u>
Total Student-Credit Hours		<u>207</u>

Second, for undergraduate students, the total student-credit hours is divided by twelve (credit hours) to derive the number of undergraduate FTE students for one summer session. For example, divide the above 207 (total student-credit hours) by 12 (credit hours) to derive 17 (FTE undergraduate students). For graduate and first professional students, the total student-credit hours is divided by nine (credit hours) to derive the number of graduate and first professional FTE students for one summer session. In the above example, the number of graduate and first professional FTE students would be 23. The number of FTE students derived in the undergraduate, graduate, and first professional calculations are added to determine the number of combined FTE university-level students for one summer session. For high school students, the measure of total student-units, utilizing the procedure illustrated above for determining total student-credit hours, is divided by 2 (units) to derive the number of full-time equivalent (FTE) students.

Third, the number of FTE students for each summer session is derived in the described manner. After two or more summer sessions are measured, the numbers are added, not averaged, to determine the number of accumulated FTE students for the two or more summer sessions within a fiscal year. The number of FTE students for the two or more summer sessions is the reportable value and, once correctly calculated, is not changed for that summer term reporting period. (Because of variability in the number, length, and scheduling of individual summer sessions, all the various summer sessions within a fiscal year, determined by the date a session ends, will comprise a cumulative summer term.)

Fourth, the number of accumulated FTE students, which is measured on a census date, is reported for the month, in column (3), and quarter, in column (4), when a session ends, even if the measuring date was within a prior month and quarter. The derived numbers are added to previously derived numbers to determine the quarter-to-date, column (4), and year-to-date, column (5), numbers. Column (2) contains the number of budgeted FTE students.

Fifth, the reported number of FTE students for a summer term, and all the revenues and expenditures for that term must be matched, insofar as practicable, with the same fiscal year for budgetary and reporting purposes.

Student Enrollment (Equated), Summer Term, Resident Students is based on the number of credit hours for which undergraduate, graduate, and first professional resident students, and the number of units for which high school resident students, are registered during a summer academic term. This determination is comparable to the computation described above except that it includes only resident students.

Student Enrollment (Equated), Summer Term, Non-Resident Students is based on the number of credit hours for which undergraduate, graduate, and first professional non-resident students, and the number of units for which high school non-resident students, are registered during a summer academic term. This determination is comparable to the computation described above except that it includes only non-resident students.

Student Enrollment (Equated), Extension Instruction is based on the number of credit or non-credit contact hours for which all extension instruction students are registered. This determination is based on the following components.

For credit hours offerings, the number of total student-credit hours is determined upon termination of the drop/add period (the census date) for each offering. Total student-credit hours is the sum of the products after multiplying the number of students by the number of credit hours. (See the Summer Term section of this memorandum for an example in calculating total student-credit hours.)

For undergraduate extension students, divide the number of total student-credit hours by twenty-four (twelve credit hours multiplied by two terms) to derive the number of FTE students. For graduate and first professional extension students, divide by eighteen (nine credit hours multiplied by two terms) to derive the number of FTE students. These numbers are added to obtain the combined number of undergraduate, graduate, and first professional FTE students for credit hours offerings.

For non-credit hour offerings, the number of total student-contact hours is determined upon termination of the drop/add period (the census date) for each offering. Total student-contact hours is the sum of the products after multiplying the number of students for each offering by the number of contact hours for each offering. The total student-contact hours is divided by 432 (based on twelve hours multiplied by thirty-six weeks) to derive the number of non-credit FTE students.

The number of FTE students for credit hour and non-credit hour offerings are added to determine the reportable number of FTE students in extension instruction. This number is reported for the month, in column (3), and quarter, in column (4), when a term or offering ends, even if the measuring date was within a prior month and quarter. The derived numbers are added to previously derived numbers to determine the quarter-to-date, column (4), and year-to-date, column (5) numbers. The number of FTE students derived for each offering is accumulated, not averaged, for reporting purposes. Column (2) contains the number of budgeted FTE students.

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The reported number of FTE students for extension instruction and the related revenues and expenditures must be matched, insofar as practicable, with the same fiscal year for budgetary and reporting purposes. (Because of variability in the number, length, and timing of individual extension instruction offerings, an entire fiscal year is considered as the measurable time period. All the various extension instruction offerings within a fiscal year, determined by the date an offering ends, will provide the cumulative enrollment measurement.)

Regular Term Full-Time Equivalent Teaching Positions, for Column (2), is the number of teaching positions authorized in an original certified budget plus (or minus) the number of teaching positions added (or eliminated) by approved budget revisions. For Columns (3) and (5), report the number of authorized teaching positions which are filled. Column (5) is an average (arithmetic mean) for the year-to-date. (The positions/employees included in these measurements are compensated only in the minor object of expenditure titled EPA Academic Salaries (1310) within the purpose titled Regular Term Instruction (101).)

Regular Term Students per Teacher is the quotient derived from dividing the student enrollment (equated) for the regular term by the number of regular term full-time equivalent teachers reported in the same column on the line above.

Employee Summary by Activity/Purpose, for Column (2), is the number of employee positions authorized, including additions and/or after eliminations by approved budget revisions and/or personnel action forms, for each activity/purpose classification in the academic budget. Column (3) reports the number of authorized employee positions which are filled as of the last day of the month, and Column (5) reports the average (arithmetic mean) number of positions filled for the year-to-date. These measures are inclusive of positions/employees compensated by salaries and wages budgeted/expended in 1110 EPA Regular Salaries, 1210 SPA Regular Salaries, and 1310 EPA Academic Salaries.

Employee summaries for 102 Summer Term Instruction and 103 Extension Instruction are each comprised of three elements. These three elements, which are combined for reporting purposes, are (1) positions/employees compensated in minor object of expenditure 1110 EPA Regular Salaries, (2) positions/employees compensated in minor object of expenditure 1210 Regular Salaries, and (3) the number of full-time equivalent teaching positions. The third element is equated on the basis of the average teaching salary for regular term instruction, which is the quotient derived from dividing the total budgeted amount in 1310 EPA Academic Salaries for 102 Summer Term Instruction and also for 103 Extension Instruction by the budgeted average teaching salary for regular term instruction. For actual data, the third element is the quotient derived from dividing total actual expenditures in 1310 EPA Academic Salaries for 102 Summer Term Instruction and also for 103 Extension Instruction, with the current month's datum reported in Column (3) and the year-to-date datum reported in Column (5), by the budgeted average teaching salary for regular term instruction.

The total number of positions/employees is the columnar summation of the detail listed by activity/purpose.

AUXILIARY ENTERPRISES BUDGET

The statistical data section of the auxiliary enterprises budget is outlined as follows, with the five numbered columns coinciding with the numbered columns appearing on the BD 701 report, i.e. (1) = Purpose and/or objects, (2) = Budget, (3) = Transactions this month, (4) = Transactions quarter to date, and (5) = Transactions fiscal year to date. The placement of an x in the outline indicates where numeral values are required.

<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>(4)</u>	<u>(5)</u>
<u>STATISTICAL DATA</u>				
Student Housing Services				
Dormitories				
Normal Capacity	x	x		x
Occupancy, Regular Term	x	x		x
Campus Apartments				
No. of Units	x	x		x
No. of Units Occupied, Regular Term	x	x		x
Employee Summary by Purpose				
201 Auxiliary Administration	x	x		x
202 Campus Center	x	x		x
203 Food Services	x	x		x
204 Health Services	x	x		x
205 Housing Services	x	x		x
206 Laundry Services	x	x		x
208 Student Stores	x	x		x
Total	x	x		x

Student Housing Services, Dormitories, Normal Capacity is the maximum number of occupants who can be accommodated in the dormitories without an overcrowded condition existing in any room. This determination is dependent on the designed bed capacity of facilities. The bed-to-occupant ratio is one (1). This normal capacity measure exists as of the beginning of a fiscal year and is subject to change, with approved budget revisions, if new dormitories are opened for occupancy, or existing dormitory space is to be used for other than student housing purposes. Column (2) is the budgeted number of occupants; column (3) is the number for the month being reported; and column (5) is an average (arithmetic mean) for the year-to-date.

Student Housing Services, Dormitories, Occupancy, Regular Term is the number of occupants accommodated in the existing dormitories during regular academic terms. The headcount measure of actual dormitory occupants is derived upon termination of the drop/add period (the census date) for each regular term, and, once correctly determined, is not changed during that term. Column (2) is the budgeted occupancy; column (3) is the number of occupants for the month being reported; and column (5) is an average (arithmetic mean) of the number of occupants for the year-to-date.

Student Housing Services, Campus Apartments, No. of Units is the number of apartment units available for rental in student housing. This unit measure exists as of the beginning of a fiscal year and is subject to change, with approved budget revisions, if new apartments are opened for occupancy, or existing apartments are to be used for other than student housing purposes. Column (2) is the budgeted number of units; column (3) is the number for the month being reported; and column (5) is an average (arithmetic mean) for the year-to-date.

Student Housing Services, Campus Apartments, No. of Units Occupied, Regular Term is the number of student campus apartments rented during regular academic terms. The number of actual campus apartments occupied is derived upon termination of the drop/add period (the census date) for each regular term, and, once correctly determined, is not changed during that term. Column (2) is the budgeted occupancy; column (3) is the number of units occupied for the month being reported; and column (5) is an average (arithmetic mean) of the number of units occupied for the year-to-date.

Employee Summary by Purpose, for Column (2), is the number of employee positions authorized, after additions or eliminations by approved budget revisions and/or personnel action forms, for each purpose classification in the auxiliary enterprises budget. For Columns (3) and (5), report the number of authorized employee positions which are filled. Column (5) is an average (arithmetic mean) for the year-to-date.

These measures are inclusive of positions/employees compensated by salaries and wages in minor objects of expenditure titled EPA Regular Salaries (1110), and SPA Regular Salaries (1210). The total is the columnar summation of the detail listed by purpose.

Memorandum Entries: Also, in order to comply with the content of "old" Budget Manual No. 5.10, effective June 1, 1967, (and which is to be incorporated into the Accounting Procedures Manual, currently being updated by the Department of State Auditor) a memorandum entry is to be added at the foot of the budget presentation (both for monthly reports, in Column (3) only, and biennial budget requests) for each affected budget purpose in the Auxiliary showing: (1) the balance of each reserve account designated as "Required Reserves -- Self-Liquidating," and (2) the excess balance of each account designated as "Excess Reserves -- Self-Liquidating."

OTHER BUDGETS

The Statistical Data Sections of budgets and reports other than academic budgets and auxiliary enterprises budgets should also adhere to the preparations and presentations described herein.

Questions regarding the content and application of this memorandum should be directed to Dr. Leon M. Ennis, Jr., Finance Officer, on my staff.