

USER MANUAL

**Performance-Weighted Enrollment
Change Funding Model**



July 2023

THE UNIVERSITY OF NORTH CAROLINA
Performance-Weighted Enrollment Change Funding Model

Table of Contents

Performance-Weighted Enrollment Change Funding Model	1
Chapter 1: Overview of Funding Model Purpose and Process	3
Chapter 2: Model Changes Implemented Since 2022	5
Chapter 3: Model Timing and Inputs	7
Exhibit 3-1: Enrollment Funding Model Example	9
Chapter 4: Student Credit Hours Eligible for Funding	10
Chapter 5: Instructional Areas and Levels	12
Exhibit 5-1: Areas of Instruction for State-Funded SCHs	12
Chapter 6: Overhead Costs	15
Exhibit 6-1: Overhead Cost Calculation	15
Chapter 7: Performance Weighting	16
Exhibit 7-1: Stretch Goal Comparison	18
Exhibit 7-2: Apply Metric Weighting	18
Exhibit 7-3: Performance Weighting Calculation (Complete)	19
Appendix A: Definition of Terms	20
Appendix B: Detailed Definitions for Chancellor’s Incentive Compensation Metrics	25
Appendix C: Factors Determining Funding Method & Tuition Charge	48

Chapter 1: Overview of Funding Model Purpose and Process

The Performance-Weighted Enrollment Change Funding Model (referred to as the “Funding Model” throughout this document) is an incremental model that provides a clearly defined state subsidy (General Fund appropriation) for the change in performance-weighted, resident student credit hours (SCH). The model provides funding based on the average cost of instruction using national instructional cost data and North Carolina-specific overhead cost data. The model’s performance component weights total resident student credit hours based on progress toward goals defined by the University of North Carolina System Strategic Plan “Higher Expectations” (2022-27). The model operates on an incremental basis, providing funding based on the annual change in enrollment and performance.

The subsequent sections of this manual include the complete information necessary to calculate the incremental subsidy, including determining the fundable status of student credit hours, applying the cost methodology, and applying performance weighting.

The Funding Model in Context

Per G.S. 116-11(9), the University of North Carolina Board of Governors is required to present to the Governor and the North Carolina General Assembly a single, unified recommended budget for all the constituent institutions of the UNC System. This recommended budget must consist of three general categories:

- funds for the continuing operation of each constituent institution (the “base budget”);
- salary increases for employees exempt from the North Carolina Human Resources Act; and
- funds requested without reference to constituent institutions, itemized as to priority and covering such areas as new programs and activities, expansions of programs and activities, increases in enrollments, 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 (“expansion budget requests”).

Providing the baseline for the biennial budget process, the base budget is the current year’s authorized budget with certain adjustments authorized in G.S. 143C-1-1(d)(1c).

Salary adjustments for faculty and other persons exempt from the North Carolina Human Resources Act 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 aligned with the Board of Governors strategic priorities. The performance-weighted enrollment change model provides the basis for determining the change in General Fund appropriations related to year-over-year enrollment and performance changes. This request serves as the cornerstone of the System’s expansion budget agenda.

Purpose of the Funding Model

The model generates incremental funding for general operations of the UNC System’s 17 constituent institutions. Budget requirements for certain activities continue to be based on individual programmatic justification and are thus off-model. These include:

- organized research;
- public service;

- self-funded activities; and
- the physical plant.

Model Components

The revised formula for calculating the appropriations request for enrollment change contains three basic components:

- instructional costs;
- overhead costs (the system average expenditure per credit hour for institutional support, academic support, and student services); and
- performance weighting of campus SCH (see more detail in **Chapter 7**);

Calculation Summary

The Funding Model uses a two-step process to calculate the incremental appropriation for an institution. The model calculates the change in performance-weighted student credit hours by discipline and then multiplies these totals by appropriation per credit hour for each discipline.

<p>Step 1</p> <p>Change in</p> <p>Performance-Weighted</p> <p>Student Credit Hours</p> <p><i>Completed Resident SCHs only</i></p> <p><i>(all terms)</i></p>	X	<p>Step 2</p> <p>Appropriation per</p> <p>Credit Hour</p> <p><i>based on % of national avg</i></p> <p><i>(Delaware study data)</i></p>	=	<p>Appropriation</p>
---	---	---	---	-----------------------------

Applicability of the Funding Model

*The 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.*

Chapter 2: Model Changes Implemented Since 2022

The Student Credit Hour (SCH) Funding Model for Enrollment Change was originally developed as a mechanism to fund requirements based on **enrollment change**. The Board of Governors 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 the System based on the provisions of the new UNC System Comprehensive Funding Model, one component of which was the SCH Enrollment Change Funding Model.

The Funding Model underwent significant revisions since 2022, as the Board of Governors sought to better align State appropriations with policy goals. Per G.S. 116C-10, “the State shall make significant efforts to increase access to learning and improve the education of more North Carolinians so that, by the year 2030, 2,000,000 residents between the ages of 25 and 44 will have completed a high-quality credential or postsecondary degree.” To this end, the Board of Governors revised the model to focus on their priority to graduate more North Carolina undergraduates on time and with less debt.

This section documents the changes, which include revisions to how the subsidy per SCH is calculated, adjustments to which student credit hours are included, and the inclusion of performance weighting. These changes include the following:

- SCH are now performance-weighted based on progress toward institution-specific goals.
- SCH factored into the calculation now are only those from North Carolina resident students and specific nonresident groups considered residents for tuition purposes. In prior versions of the model, nonresident student SCH were included in the calculation.
- In-person classes during summer terms are funded at the regular term rate (only summer distance education was previously funded).
- Instructional costs for disciplines are reflective of three-year averages of benchmarked instructional costs by Classification of Instructional Programs (CIP) code and the respective institution’s Carnegie Classification.
- Only STEM disciplines, as defined by the Department of Homeland Security, and in alignment with the provisions put forth in the UNC System Strategic Plan, receive additional funding at the master’s and doctoral level. **See Exhibit 5-1.**
- Overhead, once calculated at the individual campus level, is now the average of UNC System institutions. **See Chapter 6.**
- The law schools at the University of North Carolina at Chapel Hill and North Carolina Central University moved from the full-time equivalent (FTE) student model to the SCH funding model.
- Tuition received by institutions is no longer factored into the funding formula.

The resulting formula is based upon the change in resident credit hour production as classified by Classification of Instructional Programs (CIP) code into a funding matrix comprised of 37 areas of instruction and, for STEM fields, three levels of instruction. The costs associated with each CIP code are based upon the cost to deliver programs in these respective disciplines/levels as benchmarked by the Delaware Cost Study — an annual survey of faculty teaching loads, direct institutional costs, and separately budgeted scholarly activity. A list of disciplines and associated costs can be found [here](#).

The three levels of instruction are undergraduate, masters, and doctoral. Cost differentials by level of

instruction are reserved for STEM fields only. Non-STEM fields have a single rate across levels of instruction.

When differentiating by level for STEM fields, 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. Master’s level SCH in STEM fields have the bachelor’s level instructional costs multiplied by 1.5x the undergraduate rate and doctoral level STEM costs are multiplied by 2.5x to align with the prioritization of degree production in these fields as documented in the UNC System Strategic Plan.

A flat rate of \$170 per SCH in overhead (as of 2022) is added to account for institutional, academic, and student support, resulting in the total appropriation per SCH in each CIP. The overhead calculation is presented in **Chapter 6**.

Future adjustments to the factors in the SCH funding model will be reviewed by University of North Carolina System Office staff and considered on a periodic basis prior to any recommendations made to the Board of Governors.

Chapter 3: Model Timing and Inputs

Timing of Enrollment Allocation Data Collection, Calculation, and Approval

The enrollment subsidy is calculated based on the incremental change in student credit hours (SCHs) from one calendar year to the next. Funding is received during the fiscal year that immediately follows the period of change. For example, the funding for FY 2023-24 is determined by the incremental change in SCHs from Calendar Year 2021 (spring, summer, fall) to Calendar Year 2022. Actual SCHs are aggregated at the institution/CIP level using fall and spring end of term data and summer term(s) post-grades data. UNC System institutions are sent an early draft of their projected allocation by the System Office in October using fall census data as a placeholder. Once fall end of term closes (generally in mid-to-late December), a final version of the enrollment allocation estimate is sent for campus review and confirmation. This version is then submitted to the Board of Governors for approval. **Exhibit 3-1** (see next page) provides a schematic overview of the SCH enrollment change formula.

The performance metrics used are actual performance results from the most recent available fiscal year. For the FY 2023-24 Enrollment Funding request, the model uses the FY 2020-21 performance data.

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. As a result, incremental changes in SCHs and corresponding funding requests are made based upon whole SCHs.

Funding of New Academic Programs

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

Process for Funding Institutions/Activities not Using Incremental SCH Change

The North Carolina School of the Arts (UNCSA) and the North Carolina School of Science and Math (NCSSM) are excluded from the standard Funding Model as described above because of their unique nature and lack of viable peers within the Delaware Cost Study data.

The University of North Carolina School of the Arts will continue to use the 1/4 FTE stair-step increments of enrollment change and the pre-1998-99 FTE funding model. High school students are measured as headcounts (1 HC = 1 FTE for funding purposes) for the spring and fall terms. Undergraduates are considered full time at 12 SCH/semester. An undergraduate enrolled in 3 SCH counts as .25 FTE. A similar calculation is made for graduate students with a base of 9 SCH/semester as full-time enrollment.

Any percentage increase or decrease in FTE enrollment growth for UNCSA is multiplied by their respective performance rate and then by the prior year base budget to calculate requirements (the estimated costs of

incremental enrollment change). Any change in tuition receipts is then added or subtracted, depending on whether enrollment increased or decreased, from the requirements to yield the total appropriation.

The NCSSM, a two-year public residential high school, is also funded as part of the Systemwide allocation. Because enrollment is relatively fixed, the yearly incremental funding calculation is based upon FTE growth in NCSSM online programs in fall and spring terms, with the percentage increase or decrease in enrollment multiplied by the prior year's base budget for this program. NCSSM's enrollment is not performance weighted.

Formerly on the FTE model, programs in medicine (East Carolina University and UNC-CH), dentistry (ECU and UNC-CH), pharmacy (UNC-CH), and veterinary medicine (NC State University) have been moved off-model as of FY 2023-24. These programs have, historically, little to no enrollment change on a yearly basis and will receive future funding increases through legislative request.

Exhibit 3-1: Enrollment Funding Model Example

Course CIP Code	\$ per SCH			UNC_ABC													
				2021 SCH			2022 SCH			SCH Δ			Appropriation				
	100%	150%	250%	Other	STEM M	STEM Doc.	Other	STEM M	STEM Doc.	Other	STEM M	STEM Doc.	Other	STEM M	STEM Doc.	Total	
1 AGRICULTURE				-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
3 NATURAL RESOURCES	\$ 331	\$ 497	\$ 828	1,000	-	-	-	-	-	(1,000)	-	-	(331,000)	-	-	-	\$ (331,000)
4 ARCHITECTURE				-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
5 CULTURAL & GENDER STUDIES	\$ 413			300	-	-	-	-	-	(300)	-	-	(123,900)	-	-	-	\$ (123,900)
9 COMMUNICATION	\$ 292			3,000	-	-	-	-	-	(3,000)	-	-	(876,000)	-	-	-	\$ (876,000)
11 COMPUTER SCIENCE	\$ 374	\$ 561	\$ 935	2,000	300	500	2,200	250	550	200	(50)	50	74,800	(28,050)	46,750	\$ 93,500	
13 EDUCATION	\$ 394			5,000	3,000	2,000	5,100	2,800	1,900	100	(200)	(100)	39,400	-	-	\$ 39,400	
14 ENGINEERING	\$ 504	\$ 756	\$ 1,260	2,000	1,000	1,000	2,100	1,100	800	100	100	(200)	50,400	75,600	(252,000)	\$ (126,000)	
15 ENGINEERING TECHNOLOGY	\$ 345	\$ 518	\$ 863	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
16 FOREIGN LANGUAGES	\$ 341			1,000	500	-	950	550	-	(50)	50	-	(17,050)	-	-	-	\$ (17,050)
19 CONSUMER SCIENCES				-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
22 LEGAL PROFESSIONS	\$ 308			-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
23 ENGLISH	\$ 293			6,000	3,000	-	6,200	3,100	-	200	100	-	58,600	-	-	-	\$ 58,600
24 LIBERAL ARTS	\$ 305			-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
25 LIBRARY SCIENCE				-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
26 BIOLOGY	\$ 318	\$ 477	\$ 795	8,000	4,000	1,000	8,200	4,300	1,200	200	300	200	63,600	143,100	159,000	\$ 365,700	
27 MATHEMATICS	\$ 266	\$ 399	\$ 665	5,000	2,000	500	5,300	2,100	600	300	100	100	79,800	39,900	66,500	\$ 186,200	
28 MILITARY SCIENCE				-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
29 MILITARY TECHNOLOGY	\$ 305	\$ 458	\$ 763	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
30 INTERDISCIPLINARY STUDIES	\$ 318			1,000	500	-	1,100	550	-	100	50	-	31,800	-	-	-	\$ 31,800
31 PARKS & RECREATION	\$ 276			-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
32 BASIC SKILLS				-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
36 RECREATIONAL ACTIVITIES	\$ 276			-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
37 PERSONAL AWARENESS				-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
38 PHILOSOPHY	\$ 270			500	-	-	550	-	-	50	-	-	13,500	-	-	-	\$ 13,500
40 PHYSICAL SCIENCES	\$ 312	\$ 468	\$ 780	2,000	1,000	500	2,200	1,100	550	200	100	50	62,400	46,800	39,000	\$ 148,200	
42 PSYCHOLOGY	\$ 273			5,000	2,000	-	5,100	2,200	-	100	200	-	27,300	-	-	-	\$ 27,300
43 LAW ENFORCEMENT	\$ 264			-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
44 PUBLIC ADMINISTRATION	\$ 344			1,000	500	-	1,000	550	-	-	50	-	-	-	-	-	\$ -
45 SOCIAL SCIENCES	\$ 295			3,000	1,500	500	2,900	1,400	550	(100)	(100)	50	(29,500)	-	-	-	\$ (29,500)
49 TRANSPORTATION				-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
50 VISUAL & PERFORMING ARTS	\$ 383			2,000	1,000	-	2,200	1,100	-	200	100	-	76,600	-	-	-	\$ 76,600
51 HEALTH PROFESSIONS	\$ 408	\$ 612	\$ 1,020	6,000	4,500	2,000	6,200	4,800	2,100	200	300	100	81,600	183,600	102,000	\$ 367,200	
51.38 NURSING	\$ 674	\$ 1,011	\$ 1,686	4,000	1,500	-	4,200	1,550	-	200	50	-	134,860	50,572	-	-	\$ 185,432
52 BUSINESS	\$ 339			8,000	2,000	-	8,200	2,100	-	200	100	-	67,800	-	-	-	\$ 67,800
54 HISTORY	\$ 278			1,000	500	-	1,000	550	-	-	50	-	-	-	-	-	\$ -
90 OTHER				-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
TOTAL				66,800	28,800	8,000	64,700	30,100	8,250	(2,100)	1,300	250	\$ (514,990)	\$ 511,522	\$ 161,250	\$ 157,782	

Chapter 4: Student Credit Hours Eligible for Funding

Student credit hours are fundable under the Funding Model if they are derived from degree-creditable instruction, except in certain circumstances; SCHs are non-fundable under the model if they have tuition set to cover the full cost of instruction, or for most of the SCHs which represent non-credit instruction. Please refer to the Student Data Mart dictionary and associated documentation issued by the UNC System Enterprise Data Office or **Appendix C** of this document for more information.

General Criteria for Fundability under the SCH Model

- Degree-creditable instruction OR remedial instruction offered by a UNC System institution to students considered North Carolina residents or residents for tuition purposes
- Delivered to NC resident students within or outside the state

Fundable SCHs (delivered by UNC institutions to NC resident students unless otherwise noted)

- Regular term degree credit instruction delivered on campus or at off-campus resident credit centers
- Remedial instruction
- 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 116-143.3A 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
- Degree credit instruction for nonresident student athletes receiving full scholarships
- 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 nonresident graduate assistance 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
- Credit hours for students enrolled in a Comprehensive Transition Program¹

¹ For the purposes of allocating enrollment funding to constituent institutions of The University of North Carolina, beginning with the 2021-22 fiscal year, the Board of Governors shall allocate funds each fiscal year to constituent institutions on the same basis as full-time students enrolled in a curriculum program for up to 100 resident full-time students enrolled in either a four-semester or eight-semester certificate accomplishment program approved by the United States Department of Education as a Comprehensive Transition Program (CTP) pursuant to the Higher Education Opportunity Act of 2008, 20 U.S.C. §§ 1140f–1140i. If more than 100 resident full-time students are enrolled in CTPs at constituent institutions in any academic year, the Board of Governors shall allocate funds to each eligible constituent institution on a pro rata basis.

Non-Fundable SCHs

- Instruction to nonresident students paying nonresident tuition rates
- Not for credit coursework
- Instruction in executive degree programs/courses (and similar) with costs covered fully by tuition
- Certain instruction offered below the baccalaureate level
- Instruction to students auditing courses
- Instruction for zero-credit hours
- Instruction generating continuing education units (CEU's)
- 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 UNCISA*
- Instruction delivered in the following professional programs: medicine, veterinary medicine, dentistry, and pharmacy (off-model)
- 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 via certain study abroad programs (see **Appendix A** definition)

**UNCISA is funded on the FTE model for enrollment change.*

***In 2023, applied only to certain courses offered by UNC-CH.*

Chapter 5: Instructional Areas and Levels

Instructional Areas

The Funding Model groups instruction into 37 instructional areas based on the relative cost of instruction at the discipline level. The disciplines (represented as classification of instructional programs or CIP codes developed by the U.S. Department of Education) and offered by UNC System institutions are differentiated as 'STEM' and 'non-STEM' fields which aligns with the priorities of the UNC System Strategic Plan².

Exhibit 5-1: Areas of Instruction for State-Funded SCHs

Non-STEM	CIP	Description
	04	ARCHITECTURE
	05	CULTURAL & GENDER STUDIES
	09	COMMUNICATION
	13	EDUCATION
	16	FOREIGN LANGUAGES
	19	CONSUMER SCIENCES
	22	LEGAL PROFESSIONS
	23	ENGLISH
	24	LIBERAL ARTS
	25	LIBRARY SCIENCE
	28	MILITARY SCIENCE
	30	INTERDISCIPLINARY STUDIES
	31	PARKS & RECREATION
	32	BASIC SKILLS
	36	RECREATIONAL ACTIVITIES
	37	PERSONAL AWARENESS
	38	PHILOSOPHY
	42	PSYCHOLOGY
	43	LAW ENFORCEMENT
	44	PUBLIC ADMINISTRATION
	45	SOCIAL SCIENCES
	49	TRANSPORTATION
	50	VISUAL & PERFORMING ARTS
	52	BUSINESS
	54	HISTORY
	90	OTHER
STEM	01	AGRICULTURE
	03	NATURAL RESOURCES

² The Funding Model designation of STEM differs slightly from that of the Department of Education and the [Department of Homeland Security](#). The Funding Model determines STEM using the two-digit CIP level rather than the full six-digit CIP code.

11	COMPUTER SCIENCE
14	ENGINEERING
15	ENGINEERING TECHNOLOGY
26	BIOLOGY
27	MATHEMATICS
29	MILITARY TECHNOLOGY
40	PHYSICAL SCIENCES
51	HEALTH PROFESSIONS
51.38	NURSING

The reference source for national cost data is the annual “National Study of Instructional Costs and Productivity by Academic Discipline,” at the University of Delaware (also known as the Delaware Cost Study). This report draws on data from approximately 190 universities and colleges across the nation. All UNC System post-secondary institutions except for UNCSA participate in the study. Every two years, the UNC System Office will review updated cost data and will recalibrate the disciplines into instructional areas where appropriate and/or as recommended by the Board of Governors.

Instructional Levels

The Funding Model includes both instructional area and instructional level for STEM fields, thereby producing a matrix used for budgeting enrollment growth in these disciplines. 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.

The level designation for funding purposes is based on the course level and not the student level. For example, 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 SCH enrollment change formula does not distinguish between undergraduate SCHs in upper or lower divisions.

Responsibility for Area/Level and Term Assignments

Institutions are responsible for accurately assigning the CIP code, instructional level, and term to each eligible course and SCH. This assignment should be based on the academic content of the course and should be made in accordance with campus curriculum governance. The System Office is available for consultation if needed. SCH assignments reported to the UNC System Office should match the assignment of SCHs reported to the Delaware Cost Study.

Courses and SCH are reported via the Student Data Mart. Additional detail can be found in [SDM](#)

documentation maintained jointly by the SDM business owner and the Enterprise Data Office at the UNC System Office. Care should be taken to assure accuracy and stability in data collection requirements and efforts.

The UNC System Office will periodically review SCHs reported by the institutions 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.

Chapter 6: Overhead Costs

In prior versions of the enrollment funding model, overhead costs (student services, academic support including libraries, and institutional support) were calculated at the institutional level. The current model uses total FY General Fund expenditures on the three categories (student services, academic support, and institutional support). These totals were summed Systemwide and divided by total completed student credit hours.

Exhibit 6-1: Overhead Cost Calculation

Cost Category	Total FY 2021 General Fund Expenditures	2021 Total Completed Student Credit Hours	Average Cost Per Credit Hour
Student Services	\$136,766,856		\$21.38
Academic Support (including Libraries)	\$393,388,719	6,396,175	\$61.50
Institutional Support	\$541,465,095		\$84.65
Total			\$170*

*Total rounded to \$170/SCH for funding purposes

The overhead rate will be recalculated as indicated above prior to each new budget cycle, concordant with a refresh of Delaware data to reflect changing costs.

Chapter 7: Performance Weighting

Student credit hours used in the Funding Model are weighted based on an institution's progress toward a set of strategic goals independent of enrollment growth. Progress toward the goals results in an increased total appropriation, whereas regressing away from the goals results in decreased appropriation. The metrics include five core measures and one campus-selected measure. The core measures align with the UNC Presidential Incentive Compensation Metrics. More information regarding these metrics is available in **Appendix B**.

Performance Cycle

The performance cycle is a three-year period. Goals are calculated to represent a significant but attainable improvement over a three-year period. At the beginning of a new period, baselines and stretch goals for each metric are recalculated.

Core Metrics

All universities are measured on progress against five core metrics that cover three goals. The broader categories and subcategories are followed by their respective weights below.

- **Goal 1: Increase Undergraduate Student Success (25%)**
 - Four-Year Graduation Rate (12.5%)
 - Undergraduate Degree Efficiency (12.5%)
- **Goal 2: Increase Affordability (25%)**
 - First-Time Student Debt at Graduation (16.25%)
 - Transfer Student Debt at Graduation (8.75%)
- **Goal 3: Improve University Productivity (25%)**
 - Education and Related Expenses per Degree (25%)

For the first funding cycle, baselines were established for each metric using data from FY 2020, except for education and related expenses per degree. For this metric, the baseline was measured as the three-year average for FY 2018 through FY 2020.

Stretch goals were established for each metric by analyzing the national trends in improvement on each measure from AY 2016-19. The stretch goals are set at values that would represent a significant improvement based on the institution's Carnegie Classification (in the case of E&R Expenses per degree) or compared to all other public four-year colleges (all other metrics).

Campus-Selected Metric

Campuses each selected a sixth metric to make up the remaining 25% of the total. Once the sixth metric is calculated and added for FY 2024-25, the remaining metrics will have their weights adjusted downward to the remaining 75%. Campus-selected metrics were not included in year one of the first cycle but will be included in all future years. For performance cycle one and two, institutions were required to choose a metric from the set of strategic plan metrics below:

- Adult Learner Enrollment
- Military-Affiliated Enrollment
- Undergraduate Enrollment of Students from Underserved Counties
- Four-Year Graduation Rate for Targeted Students of Color Subgroup (*Selected subgroup must have represented at least 10% of undergraduate enrollment in FY21.*)
- Four-Year Graduation Rate for Pell Recipients
- Master’s Degree Efficiency (*Institution must have awarded at least 200 master’s degrees in FY21 to select this measure.*)
- Doctoral Research Degree Efficiency (*Institution must have awarded at least 50 research doctoral degrees in FY21 to select this measure.*)
- Health Sciences and STEM Degrees
- Graduates that work in a Public School in NC
- Sponsored Research and Licensing Income (*Institution must generate at least \$40 million in sponsored research and licensing income in FY21 to select this measure.*)

Campus-selected metrics must remain the same throughout performance cycle one and two; however, institutions will be provided the opportunity to change their campus-selected metrics prior to each subsequent three-year performance cycle. Stretch goals for performance cycle one for the campus-selected metrics were established by calculating each institution’s share of the System’s Strategic Plan goal for 2027.

Measurement

Performance results are scored on a scale of -100 to 100, with zero representing no change from the baseline and 100 representing meeting or exceeding the stretch goal. Negative values indicate that the performance is regressing below the baseline.

Example: Four-Year Graduation Rate

University	Baseline	Stretch Goal	Actual	Raw Score
UNC-1	65.0	70.0	67.5	50.0
UNC-2	55.0	60.0	61.0	100.0
UNC-3	70.0	77.0	66.5	-50.0

Progress is measured in three-year cycles with the understanding that some of the above measures may take multiple years to show substantive change and that progress improvements may not be achieved evenly over time.

Performance Weighted SCH

The annual performance multiplier ranges between +/-3%. An institution that achieves all stretch goals receives the maximum 3% and has its total credit hours weighted by 1.03. Any regression is measured similarly. An institution that scored the minimum -3% would see its total SCH weighted by 0.97.

Performance-Weighting Calculation

Performance weighting occurs in three steps, as shown in the example below.

Step 1: Compare actual performance to the stretch goal for each metric. An institution that achieves or exceeds the goal would receive a score of 100%. An institution that achieves half of the goal increase would receive a score of 50%. An institution that falls below the negative lower bound of the stretch goal would receive a score of -100%.

Exhibit 7-1: Stretch Goal Comparison

Step 1

	A	B	C	D = (C-A)/(B-A)
Performance-Weighting Example	Baseline	Stretch	Actual	% of Stretch
Four-Year Graduation Rate	50%	60%	55%	50%
Undergraduate Degree Efficiency	20	30	32	100%
First Time Student Debt at Graduation	\$15,000	\$14,000	\$14,500	50%
Transfer Student Debt at Graduation	\$10,000	\$9,000	\$9,500	50%
E&R per Degree (% below inflation)	\$50,000	-10%	-10%	100%
Campus-Selected Metric	100	200	75	-25%

Step 2: Calculate the weighted composite score (on a scale of -100% to 100%) by applying each metric weight to the percentage achieved and then summing the six weighted raw scores.

Exhibit 7-2: Apply Metric Weighting

Step 2

	D	E	D*E
Performance-Weighting Example	% of Stretch	Weight	Weighted Raw Score
Four-Year Graduation Rate	50%	12.5%	6.25%
Undergraduate Degree Efficiency	100%	12.5%	12.50%
First Time Student Debt at Graduation	50%	16.25%	8.13%
Transfer Student Debt at Graduation	50%	8.75%	4.38%
E&R per Degree (% below inflation)	100%	25%	25.00%
Campus-Selected Metric	-25%	25%	-6.25%
		Total:	50.0%

Step 3: Scales the composite score to 3% by multiplying the total weighted raw score by 3%.

$50.0\% \times 3\% = 1.5\%$

The total performance weight of student credit hours is 1.5%

Exhibit 7-3: Performance Weighting Calculation (Complete)

STEP 1

	A	B	C	$D = (C-A)/(B-A)$	E	D*E
Performance-Weighting Example	Baseline	Stretch	Actual	% of Stretch	Weight	Weighted Raw Score
Four-Year Graduation Rate	50%	60%	55%	50%	12.5%	6.25%
Undergraduate Degree Efficiency	20	30	32	100%	12.5%	12.50%
First Time Student Debt at Graduation	\$15,000	\$14,000	\$14,500	50%	16.25%	8.13%
Transfer Student Debt at Graduation	\$10,000	\$9,000	\$9,500	50%	8.75%	4.38%
E&R per Degree (% below inflation)	\$50,000	-10%	-10%	100%	25%	25.00%
Campus-Selected Metric	100	200	75	-25%	25%	-6.25%

Step 2: Weighted Raw Composite Score **50.0%**

Step 3: Scale to 3% **1.5%**

Applying Performance Funding Weight to Total Student Credit Hours

Every student credit hour produced by an institution is weighted based on the institution's performance weight for the given year. In the above example, the institution earned a total performance weight of 1.5%. If this institution produced 1,000 student credit hours in a CIP, then the model would use 1,015 student credit hours based on the 1.5% performance weighting.

Note that the performance-weighting applies to the **total** student credit hours by CIP, not the **incremental** student credit hours. This means that if an institution has a decrease in enrollment, the institution can still earn an increase in performance funding.

Appendix A: Definition of Terms



JULY 2023

The following terms and their general definitions as used in this document are offered here to encourage standardized use and mutual understanding. Items defined here appear as bold italics in the body of other definitions provided. Some of the terms included in the list below are also found in the SDM dictionary.

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.

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.

Carnegie Classification - The Carnegie Classification of Institutions of Higher Education is a framework for categorizing all accredited, degree-granting institutions in the United States³.

Every three years, the Carnegie Foundation classifies every institution listed in the National Center for Education Statistics Integrated Postsecondary Education Data System (IPEDS). The institutions are classified by type, size, and focus for the purpose of the funding formula:

- Doctoral Universities – Very High Research Activity (R1)
- Doctoral Universities – High Research Activity (R2)
- Doctoral / Professional Universities (R3)
- Master’s Colleges & Universities – Larger Programs (M1)
- Master’s Colleges & Universities – Medium Programs (M2)
- Baccalaureate Colleges – Arts & Science Focus (B1)

Change SCHs – The number of SCHs represented by the difference between **base-budgeted SCHs** and Board-approved **actual SCHs from the following year**. These SCHs form the basis for the incremental change request for state appropriations.

CIP Codes – The two-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). CIP codes are maintained by the National Center for Education Statistics.

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**.

Correspondence Study – Instruction delivered through the mail. As of 2023, this only applies to the Independent Studies division of UNC-CH. Not included in the **SCH funding model**. Funded on a **cost-recovery** basis.

Customized Programs – Contracted or customized programs/courses approved by the UNC System Office 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**.

³ See <https://carnegieclassifications.acenet.edu/> for further information on Carnegie Classifications.

Customized Tuition – Tuition set by an institution (with System Office 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.

Dollar/SCH Values – The amount or dollar value for a single **SCH** by CIP code. Varies by CIP/Carnegie Classification.

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. A typical funding cycle will see the enrollment in fall/spring/summer terms of the prior calendar year compared to the same terms in the current year.

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.

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. A full-time credit load is 12 SCH for undergraduates, 9 SCH for graduate students. A student in excess of these totals would still count as 1.00 FTE.

FTE Model – see Funding Methods below.

Funding Methods for which the Program receives State Appropriations:

SCH Model – The process by which **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.

FTE Model – Programs and courses being funded via the pre-1998-99 Full Time Equivalent model (currently UNCSA and NCSSM).

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 the difference between costs and tuition.

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

Receipts-based – Programs or courses approved by the UNC System Office for which tuition is

designed to cover the full cost of the program/course.

Legislative Request (Off-Model) - Instruction delivered in the following professional programs: Medicine, Veterinary Medicine (NCSU only), Dentistry, and Pharmacy.

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 **Chapter 4**. See **Appendix C**.

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

Instructional Areas – See CIP Codes. For the purposes of the funding model, disciplines are further categorized into STEM and Non-STEM fields (see Exhibit 5.1).

Instructional Levels – The broad levels at which instruction is funded for STEM fields only: undergraduate level; master’s level; and doctoral level.

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 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.

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.

Receipts-based – See Funding Methods.

Regular Term On-Campus– The regular academic year comprises 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

Residency Classification – The determination that a given student is required to pay resident (in-state) or

non-resident (out-of-state) tuition.

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.

Study Abroad - SCHs generated by students in study abroad programs (not one-to-one balanced exchanges) are fundable on the SCH model for UNC System students attending a foreign institution and paying UNC System tuition, as are SCHs generated by foreign students attending a UNC System institution and paying UNC System tuition. Similarly, UNC System students attending any other institution (UNC System, NC private, or in another state or foreign country) and paying that institution generate no fundable SCHs at the UNC System 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 System institution.

Summer Term – An instructional period occurring between May and August. 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.

Appendix B:

Detailed Definitions for Chancellor's Incentive Compensation Metrics

Effective October 2022

This document contains the detailed definitions for metrics that are used for Chancellor's Incentive Compensation, the Strategic Plan (2022-27), and the Performance Funding Model.

Core Metrics (Chancellor's Incentive Compensation Metrics)

Four-Year Graduation Rate for First-Time Freshmen
Undergraduate Degree Efficiency
Debt at Graduation for First-Time Students
Debt at Graduation for Transfer Students
Education and Related Spending Per Degree

Eligible Performance Funding Metrics

Adult Learner Enrollment
Military-Affiliated Enrollment
Underserved County Enrollment
Four-Year Graduation Rates for Students of Color and Pell Grant Status
Master's Degree Efficiency
Research and Scholarship Doctorate Degree Efficiency
Health Science and STEM Credentials
Graduates Working in NC Public Schools
Sponsored Research and Licensing

Strategic Plan Metrics Not Included in Incentive Compensation or Funding Model

Healthy Minds Survey
Military Partnerships
Positive Employee Experience
Voluntary Turnover
Voluntary Turnover for Key Subgroups

Core Metrics

Four-Year Graduation Rate

This metric calculates four-year graduation rates for first-time, full-time, bachelor's degree-seeking students starting in fall terms from the fall 2013 cohort through the fall 2017 cohort. The numerator includes those students who earned a baccalaureate degree from any accredited institution of higher education within four years. This includes the summer term of the fourth academic year. For example, a first-time, full-time student who begins in fall 2016 and earns a degree at any point up through August 31, 2020 will be counted as a "graduate" in the numerator.

Completions information comes from the sdm_completion_student dataset post-grades snapshot. The denominator is the number of first-time, full-time, bachelor's degree-seeking students in a given fall term available in the sdm_career dataset census snapshot. This metric uses the adjusted IPEDS cohort and removes exclusions from the cohort if the exclusion occurred prior to the fourth fall term after the cohort's initial term. National Student Clearinghouse data is used to identify graduation data from institutions outside of the University of North Carolina System. To link students between their cohort record and their completion record, SSN is used for fall 2012 through fall 2015 cohorts. Starting in fall 2016, student_pidm is used to link students.

Code for this metric is contained in strategic_plan_024_ff_4yr_grad_rates_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Undergraduate Degree Efficiency

The number of undergraduate degrees awarded by an institution per 100 Full-Time Equivalent (FTE) undergraduates. "Degrees" includes associate and baccalaureate degrees as reported in IPEDS in a given academic year. Dual degree recipients are counted twice, consistent with federal completions reporting. Double major students are counted once. "FTE" is calculated as the sum of all student credit hours taken by degree-seeking undergraduate students in the current academic year (summer II, fall, spring, summer I) and then averaged across the preceding three academic years. That average is then divided by 30, consistent with IPEDS reporting. From the legacy data systems, this comes from the Student Data File, and in the SDM, this is captured from the sdm_enrollment at the census snapshot. The FTE calculation uses a four-year average to smooth enrollment fluctuations and the degree calculation uses two-year average to smooth degree fluctuations.

Code for this metric is contained in `strategic_plan_029_ugde_public.sas`, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Average Cumulative Debt at Completion of Bachelor's Degree, First-Time Freshman

This metric calculates average cumulative federal loan debt for first-time, bachelor's degree completers reported in IPEDS Completions who originally entered the institution as in-state, first-time students. This metric includes first-time students who entered in fall, spring, or summer terms. The numerator includes the total sum of federal loan debt, excluding debt from Parent Plus loans, reported on SDM financial aid snapshots from when the student began through the financial aid year in which they completed their degree. Only debt accrued at the institution that granted the bachelor's degree in the completion year is included in this metric. Financial aid data starting in 2016 was pulled from `sdm_finaid_yr_awrd_dtl_full` financial aid snapshots. Financial aid and student data prior to 2016 are drawn from the legacy migrated files. Data that predates the legacy migrated files were pulled from financial aid ALLE flat files. Federal loans were identified using a combination of `award_code`, `award_type_code`, and `award_source_code`. The denominator is the number of in-state, first-time students who received a bachelor's degree within a given completion year, including those who did not accrue any debt. A completion year runs between July 1 of the start year through June 30 of the following year, consistent with the IPEDS Completions survey. For example, a student who graduated July 2, 2018 with no debt would be counted as a 2018-19 completer. Completers who first enrolled at the institution (first bachelor's degree-seeking term as reported in `sdm_career`) more than 10 years prior to graduation (`comp_term`) are excluded from this metric. Student data are pulled from the `sdm_application` and `sdm_career` datasets. Student data prior to 2016 were pulled from the legacy migrated flat files.

Code for this metric is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile. (`finaid_032_cum_debt_completers_metrics_2022_public.sas`)

Average Cumulative Debt at Completion of Bachelor's Degree, Transfer Students

This metric calculates average cumulative federal loan debt for bachelor's degree completers reported in IPEDS Completions who transferred from (`last_school_fice` on earliest enrollment record) either a UNC System institution or a North Carolina community college (NCCCS) and originally entered the institution as in-state transfer students. This metric includes transfer students who entered the institution at any class level. The numerator includes the total sum of federal loan debt, excluding debt from Parent Plus loans, reported on SDM financial aid snapshots from the time those students transferred into the institution to the time they graduated. Financial aid data was pulled from

sdm_finaid_yr_awrd_dtl_full financial aid snapshots. Data predating the SDM were pulled from the legacy migrated financial aid flat files. Federal loans were identified using a combination of award_code, award_type_code, and award_source_code. The denominator is the number of in-state, NCCCS or UNC System transfer students who received a bachelor's degree within a given completion year, including those who did not accrue any debt. A completion year runs between July 1 of the start year through June 30 of the following year, consistent with the IPEDS Completions survey. For example, a student who graduated July 2, 2018 with no debt would be counted as a 2018-19 completer. Completers who first enrolled at the institution (first bachelor's degree-seeking term as reported in sdm_career) more than 10 years prior to graduation (comp_term) are excluded from this metric. Financial aid and student data prior to 2016 are drawn from the legacy migrated files to capture SSN updates. Student data are pulled from the sdm_application and sdm_career datasets. For data prior to legacy migrated files, student and financial aid data comes from student and financial aid flat files.

Code for this metric is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile. (finaid_032_cum_debt_completers_metrics_2022_public.sas)

Education and Related Expenses Per Degree

Education and related (E&R) spending per degree is a cost efficiency measure commonly used in higher education to understand the return on a university's financial investment in education as measured by an output of degrees awarded. All data points are pulled from IPEDS. The numerators calculated by summing the total expenditures on instruction(F1C011), student services(F1C061), and an allocated portion of academic(F1C051) and institutional support (F1C071) each year. The allocated portion is equal to expenditures on instruction (F1C011) and student services (F1C061) divided by the sum of on instruction (F1C011), student services (F1C061), public service (F1C031), and research (F1C021). The denominator is the total number of undergraduate and graduate degrees awarded in that completion year (CSTOTLT). This includes bachelor's, master's, doctoral, and associate degrees as well as post-baccalaureate and post-master's certificates (AWLEVEL). A completion year runs between July 1 of the start year through June 30 of the following year, consistent with the IPEDS Completions survey. For example, a student who graduated July 2, 2019 with no debt would be counted as a 2019-20 completer. E&R focuses on the core costs of the educational enterprise, rather than considering other university missions with separate funding streams (research, public service) or auxiliary functions paid for from dedicated sources (housing, athletics, etc.).

This measure is created using IPEDS variables that are calculated by each institution. Components of this metric are also available publicly on the IPEDS website. Directions on how to pull these variables and an example of the calculation are available on [Sharepoint](#).

Eligible Performance Funding Metrics

Adult Learner Enrollment

Adult learner is defined as in-state and out-of-state, degree-seeking, certificate-seeking and non-degree, non-certificate seeking, undergraduate students age 25 or older at the start of the fall term, specific to each institution. Enrollment counts are captured at census from sdm_career.

Code for this metric is contained in strategic_plan_023_fall_enroll_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Military-Affiliated Enrollment

Military affiliated is defined as students that are 1) active-duty military or National Guard, 2) veterans of the armed forces or National Guard, or 3) Spouses or dependents of active duty or veterans. Students are identified using the military-affiliated flag in the SDM and data are pulled from the post-grades snapshot of sdm_career. This count includes in-state and out of state, degree-seeking, certificate-seeking and non-degree, non-certificate-seeking, and undergraduate and graduate students.

Code for this metric is contained in strategic_plan_023_fall_enroll_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Underserved County Enrollment

This measure counts the number of degree-seeking undergraduate students and high school students at North Carolina School of Science and Mathematics and University of North Carolina School of the Arts enrolled from North Carolina counties that are a part of the "underserved counties" list. Underserved counties are defined as the 80 counties that are below the statewide college-going rate. College-going rates for each county were calculated using matched data from the National Student Clearinghouse that was provided by the Department of Public Instruction (DPI). College-going includes any postsecondary enrollment within one calendar year of high school graduation. Students who withdrew without completing a full term were not counted as attending that term. See Appendix A for a list of counties. Enrollments are collected at census from sdm_career. High school counts include students that are in-state residents and also reside in an underserved county.

Code for this metric is contained in strategic_plan_023_fall_enroll_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Four-Year Graduation Rates for Students of Color and Pell Grant Status

Graduation rates are calculated in the same manner as the overall four-year graduation rate. This metric is disaggregated by race and ethnicity for students of color based on standard IPEDS definitions and Pell Grant status. Students of color include Black or African American, Hispanic or Latino, Native American, and two or more races. Pell recipient is defined as students who received Pell in their first financial aid year as reported in the `sdm_finaid_yr_awrd_dtl_full` dataset.

Code for this metric is contained in `strategic_plan_024_ff_4yr_grad_rates_public.sas`, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Master's Degree Efficiency

The number of master's degrees awarded by an institution per 100 Full-Time Equivalent (FTE) master's degree students. "Degrees" includes master's degrees as reported to IPEDS in a given academic year. Dual degree recipients are counted twice, consistent with federal completions reporting and only the first major per degree is counted. "FTE" is calculated as the sum of all student credit hours taken by degree-seeking master's degree students in the current academic year (summer II, fall, spring, summer I) and then averaged across the preceding academic year. That average is then divided by 24, consistent with IPEDS reporting for graduate students. From the legacy data systems, this comes from the ALLE flat files, and in the SDM, this is captured from `sdm_enrollment` at the census snapshot. The FTE calculation uses a two-year average to smooth enrollment fluctuations and the degree calculation uses two-year average to smooth degree fluctuations. Only two years of enrollments are used to reflect the shorter length of master's programs. Degrees counts are drawn from `sdm_completion_major`.

Code for this metric is contained in `strategic_plan_032_gde_public.sas`, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Research and Scholarship Doctorate Degree Efficiency

The number of doctoral research and scholarship degrees awarded by an institution per 100 Full-Time Equivalent (FTE) doctoral research students. "Degrees" includes doctoral research degrees as reported to IPEDS in a given academic year. Doctoral research degrees are identified with a `DEGREE_LEVEL_CODE` of "R". This measure does not

include professional doctorate degrees (code of “P”). Dual degree recipients are counted twice, consistent with federal completions reporting and only the first major per degree is counted. “FTE” is calculated as the sum of all student credit hours taken by degree-seeking doctoral research degree students in the current academic year (summer II, fall, spring, summer I) and then averaged across the preceding three academic years. That average is then divided by 24, consistent with IPEDS reporting for graduate students. From the legacy data systems, this comes from the ALLE flat files, and in the SDM, this is captured from sdm_enrollment at the census snapshot. The FTE calculation uses a four-year average to smooth enrollment fluctuations and the degree calculation uses two-year average to smooth degree fluctuations. Degrees counts are drawn from sdm_completion_major.

Code for this metric is contained in strategic_plan_032_gde_public.sas, which is available on [Sharepoint](#) and was provided to each institution’s IR office via Sharefile.

Health Science & STEM Credentials

This metric counts health science degrees and certificates meeting the minimum credit hour threshold previously used by IPEDS. This includes all major completions, not just first majors. Health science credentials include all CIP codes in the two-digit 51 code (health sciences) and the six-digit codes of 018001 (veterinary medicine) and 018101 (veterinary sciences/veterinary clinical services, general). STEM credentials include all CIP codes listed on the 2020 Department of Homeland Security STEM Designated Degree Program List. These CIP codes are flagged in the SDM with the variable program_cip_stem_flag. Any CIP codes starting with 51 (health sciences) on the DHS STEM list will be counted towards health sciences. Degrees are counted by academic year, so the 2020 degree count includes degrees earned in fall 2019, spring 2020, and summer 2020. Data are drawn from sdm_completion_major.

Code for this metric is contained in strategic_plan_026_stem_health_comps_public.sas, which is available on [Sharepoint](#) and was provided to each institution’s IR office via Sharefile.

Graduates Working in NC Public Schools

This metric includes individuals that earned a degree or teacher licensure/certificate from a UNC System institution (including undergraduate, graduate, or both) and are in their first year of employment at a public K-12 NC school as a 1) teacher, 2) assistant principal, 3) principal, and 4) other. The other category includes certified personnel that are identified by the object codes 131, 132, 133, 134, and 135. These object codes include those working in social services, health services, attendance counseling, guidance services, media services,

nurses licensed through NCDPI, speech services, audiologists, school psychologists, teacher mentors, and instructional coaches/facilitators. In order to count as other certified personnel for a respective LEA, the individual needed to be paid at least 50% FTE in that role at a school and/or at the LEA central office. Students earning credentials at multiple institutions prior to their first year of employment in the respective role (e.g. teacher, principal) are counted once for each institution's individual metric, but are not duplicated for the System level metric.

Data are collected and provided to the UNC System by the Education Policy Initiative at the University of North Carolina at Chapel Hill. As the data are not held by the University of North Carolina System Office, we are unable to provide code to replicate this metric. For questions about this metric, please contact Mark Umbricht at mrumbrecht@northcarolina.edu

Sponsored Research and Licensing

This is the amount of revenue from research, development sponsored program awards, and licensing income in a given fiscal year. Reporting guidelines for sponsored program awards and licensing income are identical to those used in the annual UNC Report to the President on Research and Sponsored Programs. Non-research COVID dollars and inter-institutional awards are removed from this calculation.

Data are provided to the UNC System Office by each institution, so no code is available to replicate this number. For questions about this metric, please contact Mark Umbricht at mrumbrecht@northcarolina.edu

Strategic Plan Metrics Not Included in Incentive Compensation or Funding Model

Healthy Minds Survey

All institutions are expected by spring 2027 to participate in the Healthy Minds survey, an annual study of student mental health on college campuses. With baseline data from this survey, institutions will create campus-level goals and strategies to improve student mental health. There are no formal metrics other than participation in the survey.

Military Partnerships

Military partnerships include formal, signed partnerships agreements between the UNC System and a military-affiliated organization. The agreement must be signed by senior leadership on both sides and include at least one of the following criteria:

1. UNC System performs collaborative project(s) with the military partner organization
2. UNC System performs sponsored R&D project(s) funded by DOD as a direct result of the partnership
3. UNC System faculty, students, and/or staff participate in R&D efforts, internships, fellowships, research sabbaticals, teaching a course, etc. as a direct result of the partnership
4. UNC System researchers utilize DOD equipment, or DOD donates R&D equipment to UNC System
5. DOD personnel (uniformed and/or civilian) participate in UNC education or training courses
6. Partnership directly leads to increase in military student applications or enrollments, and/or increase in UNC System DOD/VA education benefits
7. A new product, good, or service is developed through the partnership
8. Patent application filed or awarded as a result of partnership activity
9. Transition of a UNC System technology, good or service to military partner

Positive Employee Experience

Employee experiences are measured using the biennial Systemwide employee engagement survey, which measures workplace satisfaction. The System will track key measures from the survey including job satisfaction, compensation and benefits, and professional development. These key measures will be benchmarked nationally against four-year public universities.

Voluntary Turnover

Voluntary turnover includes employees that chose to leave their institution. This metric includes employees that moved from one UNC System institution to another. This does not include

involuntary turnover (management decision to end employment such as discharge, discontinuation of appointment, and reduction in force) or other turnover (retirement, death, or inability to return to work for medical reasons). Annual turnover is calculated by fiscal year. For example, 2021 voluntary turnover data includes faculty and staff that left between July 1, 2020 through June 30, 2021. Voluntary turnover for key subgroups disaggregates the voluntary turnover number by minority status and gender.

List of Underserved Counties

	Underserved Indicator		Underserved Indicator		Underserved Indicator
Alamance	1	Greene	1	Rockingham	1
Alexander	1	Guilford	0	Rowan	1
Alleghany	0	Halifax	1	Rutherford	1
Anson	1	Harnett	1	Sampson	1
Ashe	1	Haywood	1	Scotland	1
Avery	0	Henderson	1	Stanly	1
Beaufort	1	Hertford	0	Stokes	1
Bertie	1	Hoke	1	Surry	1
Bladen	1	Hyde	1	Swain	1
Brunswick	1	Iredell	0	Transylvania	1
Buncombe	1	Jackson	1	Tyrrell	1
Burke	1	Johnston	1	Union	0
Cabarrus	1	Jones	1	Vance	1
Caldwell	1	Lee	1	Wake	0
Camden	0	Lenoir	1	Warren	1
Carteret	0	Lincoln	0	Washington	1
Caswell	1	Macon	1	Watauga	0
Catawba	1	Madison	1	Wayne	1
Chatham	0	Martin	1	Wilkes	1
Cherokee	1	McDowell	1	Wilson	1
Chowan	1	Mecklenburg	0	Yadkin	1
Clay	1	Mitchell	1	Yancey	1
Cleveland	1	Montgomery	1		
Columbus	1	Moore	0		
Craven	1	Nash	1		
Cumberland	1	New Hanover	0		
Currituck	1	Northampton	1		
Dare	0	Onslow	1		
Davidson	1	Orange	0		
Davie	0	Pamlico	1		
Duplin	1	Pasquotank	1		
Durham	1	Pender	1		
Edgecombe	1	Perquimans	1		
Forsyth	0	Person	1		
Franklin	1	Pitt	0		
Gaston	1	Polk	1		
Gates	1	Randolph	1		
Graham	1	Richmond	1		
Granville	1	Robeson	1		

Appendix B:

Detailed Definitions for Chancellor's Incentive Compensation Metrics

Effective October 2022

This document contains the detailed definitions for metrics that are used for Chancellor's Incentive Compensation, the Strategic Plan (2022-27), and the Performance Funding Model.

Core Metrics (Chancellor's Incentive Compensation Metrics)

Four-Year Graduation Rate for First-Time Freshmen
Undergraduate Degree Efficiency
Debt at Graduation for First-Time Students
Debt at Graduation for Transfer Students
Education and Related Spending Per Degree

Eligible Performance Funding Metrics

Adult Learner Enrollment
Military-Affiliated Enrollment
Underserved County Enrollment
Four-Year Graduation Rates for Students of Color and Pell Grant Status
Master's Degree Efficiency
Research and Scholarship Doctorate Degree Efficiency
Health Science and STEM Credentials
Graduates Working in NC Public Schools
Sponsored Research and Licensing

Strategic Plan Metrics Not Included in Incentive Compensation or Funding Model

Healthy Minds Survey
Military Partnerships
Positive Employee Experience
Voluntary Turnover
Voluntary Turnover for Key Subgroups

Core Metrics

Four-Year Graduation Rate

This metric calculates four-year graduation rates for first-time, full-time, bachelor's degree-seeking students starting in fall terms from the fall 2013 cohort through the fall 2017 cohort. The numerator includes those students who earned a baccalaureate degree from any accredited institution of higher education within four years. This includes the summer term of the fourth academic year. For example, a first-time, full-time student who begins in fall 2016 and earns a degree at any point up through August 31, 2020 will be counted as a "graduate" in the numerator.

Completions information comes from the sdm_completion_student dataset post-grades snapshot. The denominator is the number of first-time, full-time, bachelor's degree-seeking students in a given fall term available in the sdm_career dataset census snapshot. This metric uses the adjusted IPEDS cohort and removes exclusions from the cohort if the exclusion occurred prior to the fourth fall term after the cohort's initial term. National Student Clearinghouse data is used to identify graduation data from institutions outside of the University of North Carolina System. To link students between their cohort record and their completion record, SSN is used for fall 2012 through fall 2015 cohorts. Starting in fall 2016, student_pidm is used to link students.

Code for this metric is contained in strategic_plan_024_ftf_4yr_grad_rates_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Undergraduate Degree Efficiency

The number of undergraduate degrees awarded by an institution per 100 Full-Time Equivalent (FTE) undergraduates. "Degrees" includes associate and baccalaureate degrees as reported in IPEDS in a given academic year. Dual degree recipients are counted twice, consistent with federal completions reporting. Double major students are counted once. "FTE" is calculated as the sum of all student credit hours taken by degree-seeking undergraduate students in the current academic year (summer II, fall, spring, summer I) and then averaged across the preceding three academic years. That average is then divided by 30, consistent with IPEDS reporting. From the legacy data systems, this comes from the Student Data File, and in the SDM, this is captured from the sdm_enrollment at the census snapshot. The FTE calculation uses a four-year

average to smooth enrollment fluctuations and the degree calculation uses two-year average to smooth degree fluctuations.

Code for this metric is contained in `strategic_plan_029_ugde_public.sas`, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Average Cumulative Debt at Completion of Bachelor's Degree, First-Time Freshman

This metric calculates average cumulative federal loan debt for first-time, bachelor's degree completers reported in IPEDS Completions who originally entered the institution as in-state, first-time students. This metric includes first-time students who entered in fall, spring, or summer terms. The numerator includes the total sum of federal loan debt, excluding debt from Parent Plus loans, reported on SDM financial aid snapshots from when the student began through the financial aid year in which they completed their degree. Only debt accrued at the institution that granted the bachelor's degree in the completion year is included in this metric. Financial aid data starting in 2016 was pulled from `sdm_finaid_yr_awrd_dtl_full` financial aid snapshots. Financial aid and student data prior to 2016 are drawn from the legacy migrated files. Data that predates the legacy migrated files were pulled from financial aid ALLE flat files. Federal loans were identified using a combination of `award_code`, `award_type_code`, and `award_source_code`. The denominator is the number of in-state, first-time students who received a bachelor's degree within a given completion year, including those who did not accrue any debt. A completion year runs between July 1 of the start year through June 30 of the following year, consistent with the IPEDS Completions survey. For example, a student who graduated July 2, 2018 with no debt would be counted as a 2018-19 completer. Completers who first enrolled at the institution (first bachelor's degree-seeking term as reported in `sdm_career`) more than 10 years prior to graduation (`comp_term`) are excluded from this metric. Student data are pulled from the `sdm_application` and `sdm_career` datasets. Student data prior to 2016 were pulled from the legacy migrated flat files.

Code for this metric is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile. (`finaid_032_cum_debt_completers_metrics_2022_public.sas`)

Average Cumulative Debt at Completion of Bachelor's Degree, Transfer Students

This metric calculates average cumulative federal loan debt for bachelor's degree completers reported in IPEDS Completions who transferred from (`last_school_fice` on

earliest enrollment record) either a UNC System institution or a North Carolina community college (NCCCS) and originally entered the institution as in-state transfer students. This metric includes transfer students who entered the institution at any class level. The numerator includes the total sum of federal loan debt, excluding debt from Parent Plus loans, reported on SDM financial aid snapshots from the time those students transferred into the institution to the time they graduated. Financial aid data was pulled from sdm_finaid_yr_awrd_dtl_full financial aid snapshots. Data predating the SDM were pulled from the legacy migrated financial aid flat files. Federal loans were identified using a combination of award_code, award_type_code, and award_source_code. The denominator is the number of in-state, NCCCS or UNC System transfer students who received a bachelor's degree within a given completion year, including those who did not accrue any debt. A completion year runs between July 1 of the start year through June 30 of the following year, consistent with the IPEDS Completions survey. For example, a student who graduated July 2, 2018 with no debt would be counted as a 2018-19 completer. Completers who first enrolled at the institution (first bachelor's degree-seeking term as reported in sdm_career) more than 10 years prior to graduation (comp_term) are excluded from this metric. Financial aid and student data prior to 2016 are drawn from the legacy migrated files to capture SSN updates. Student data are pulled from the sdm_application and sdm_career datasets. For data prior to legacy migrated files, student and financial aid data comes from student and financial aid flat files.

Code for this metric is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile. (finaid_032_cum_debt_completers_metrics_2022_public.sas)

Education and Related Expenses Per Degree

Education and related (E&R) spending per degree is a cost efficiency measure commonly used in higher education to understand the return on a university's financial investment in education as measured by an output of degrees awarded. All data points are pulled from IPEDS. The numerators calculated by summing the total expenditures on instruction(F1C011), student services(F1C061), and an allocated portion of academic(F1C051) and institutional support (F1C071) each year. The allocated portion is equal to expenditures on instruction (F1C011) and student services (F1C061) divided by the sum of on instruction (F1C011), student services (F1C061), public service (F1C031), and research (F1C021). The denominator is the total number of undergraduate and graduate degrees awarded in that completion year (CSTOTLT). This includes bachelor's, master's, doctoral, and associate degrees as well as post-baccalaureate and post-master's certificates (AWLEVEL). A completion year runs between July 1 of the start year through June 30 of the following year, consistent with

the IPEDS Completions survey. For example, a student who graduated July 2, 2019 with no debt would be counted as a 2019-20 completer. E&R focuses on the core costs of the educational enterprise, rather than considering other university missions with separate funding streams (research, public service) or auxiliary functions paid for from dedicated sources (housing, athletics, etc.).

This measure is created using IPEDS variables that are calculated by each institution. Components of this metric are also available publicly on the IPEDS website. Directions on how to pull these variables and an example of the calculation are available on [Sharepoint](#).

Eligible Performance Funding Metrics

Adult Learner Enrollment

Adult learner is defined as in-state and out-of-state, degree-seeking, certificate-seeking and non-degree, non-certificate seeking, undergraduate students age 25 or older at the start of the fall term, specific to each institution. Enrollment counts are captured at census from sdm_career.

Code for this metric is contained in strategic_plan_023_fall_enroll_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Military-Affiliated Enrollment

Military affiliated is defined as students that are 1) active-duty military or National Guard, 2) veterans of the armed forces or National Guard, or 3) Spouses or dependents of active duty or veterans. Students are identified using the military-affiliated flag in the SDM and data are pulled from the post-grades snapshot of sdm_career. This count includes in-state and out of state, degree-seeking, certificate-seeking and non-degree, non-certificate-seeking, and undergraduate and graduate students.

Code for this metric is contained in strategic_plan_023_fall_enroll_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Underserved County Enrollment

This measure counts the number of degree-seeking undergraduate students and high school students at North Carolina School of Science and Mathematics and University of North Carolina School of the Arts enrolled from North Carolina counties that are a part of the "underserved counties" list. Underserved counties are defined as the 80 counties that are below the statewide college-going rate. College-going rates for each county were calculated using matched data from the National Student Clearinghouse that was provided by the Department of Public Instruction (DPI). College-going includes any postsecondary enrollment within one calendar year of high school graduation. Students who withdrew without completing a full term were not counted as attending that term. See Appendix A for a list of counties. Enrollments are collected at census from sdm_career. High school counts include students that are in-state residents and also reside in an underserved county.

Code for this metric is contained in strategic_plan_023_fall_enroll_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Four-Year Graduation Rates for Students of Color and Pell Grant Status

Graduation rates are calculated in the same manner as the overall four-year graduation rate. This metric is disaggregated by race and ethnicity for students of color based on standard IPEDS definitions and Pell Grant status. Students of color include Black or African American, Hispanic or Latino, Native American, and two or more races. Pell recipient is defined as students who received Pell in their first financial aid year as reported in the sdm_finaid_yr_awrd_dtl_full dataset.

Code for this metric is contained in strategic_plan_024_ff_4yr_grad_rates_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Master's Degree Efficiency

The number of master's degrees awarded by an institution per 100 Full-Time Equivalent (FTE) master's degree students. "Degrees" includes master's degrees as reported to IPEDS in a given academic year. Dual degree recipients are counted twice, consistent with federal completions reporting and only the first major per degree is counted. "FTE" is calculated as the sum of all student credit hours taken by degree-seeking master's degree students in the current academic year (summer II, fall, spring, summer I) and then averaged across the preceding academic year. That average is then divided by 24, consistent with IPEDS reporting for graduate students. From the legacy data systems, this comes from the ALLE flat files, and in the SDM, this is captured from sdm_enrollment at the census snapshot. The FTE calculation uses a two-year average to smooth enrollment fluctuations and the degree calculation uses two-year average to smooth degree fluctuations. Only two years of enrollments are used to reflect the shorter length of master's programs. Degrees counts are drawn from sdm_completion_major.

Code for this metric is contained in strategic_plan_032_gde_public.sas, which is available on [Sharepoint](#) and was provided to each institution's IR office via Sharefile.

Research and Scholarship Doctorate Degree Efficiency

The number of doctoral research and scholarship degrees awarded by an institution per 100 Full-Time Equivalent (FTE) doctoral research students. “Degrees” includes doctoral research degrees as reported to IPEDS in a given academic year. Doctoral research degrees are identified with a DEGREE_LEVEL_CODE of “R”. This measure does not include professional doctorate degrees (code of “P”). Dual degree recipients are counted twice, consistent with federal completions reporting and only the first major per degree is counted. “FTE” is calculated as the sum of all student credit hours taken by degree-seeking doctoral research degree students in the current academic year (summer II, fall, spring, summer I) and then averaged across the preceding three academic years. That average is then divided by 24, consistent with IPEDS reporting for graduate students. From the legacy data systems, this comes from the ALLE flat files, and in the SDM, this is captured from sdm_enrollment at the census snapshot. The FTE calculation uses a four-year average to smooth enrollment fluctuations and the degree calculation uses two-year average to smooth degree fluctuations. Degrees counts are drawn from sdm_completion_major.

Code for this metric is contained in strategic_plan_032_gde_public.sas, which is available on [Sharepoint](#) and was provided to each institution’s IR office via Sharefile.

Health Science & STEM Credentials

This metric counts health science degrees and certificates meeting the minimum credit hour threshold previously used by IPEDS. This includes all major completions, not just first majors. Health science credentials include all CIP codes in the two-digit 51 code (health sciences) and the six-digit codes of 018001 (veterinary medicine) and 018101 (veterinary sciences/veterinary clinical services, general). STEM credentials include all CIP codes listed on the 2020 Department of Homeland Security STEM Designated Degree Program List. These CIP codes are flagged in the SDM with the variable program_cip_stem_flag. Any CIP codes starting with 51 (health sciences) on the DHS STEM list will be counted towards health sciences. Degrees are counted by academic year, so the 2020 degree count includes degrees earned in fall 2019, spring 2020, and summer 2020. Data are drawn from sdm_completion_major.

Code for this metric is contained in strategic_plan_026_stem_health_comps_public.sas, which is available on [Sharepoint](#) and was provided to each institution’s IR office via Sharefile.

Graduates Working in NC Public Schools

This metric includes individuals that earned a degree or teacher licensure/certificate from a UNC System institution (including undergraduate, graduate, or both) and are in their first year of employment at a public K-12 NC school as a 1) teacher, 2) assistant principal, 3) principal, and 4) other. The other category includes certified personnel that are identified by the object codes 131, 132, 133, 134, and 135. These object codes include those working in social services, health services, attendance counseling, guidance services, media services, nurses licensed through NCDPI, speech services, audiologists, school psychologists, teacher mentors, and instructional coaches/facilitators. In order to count as other certified personnel for a respective LEA, the individual needed to be paid at least 50% FTE in that role at a school and/or at the LEA central office. Students earning credentials at multiple institutions prior to their first year of employment in the respective role (e.g. teacher, principal) are counted once for each institution's individual metric, but are not duplicated for the System level metric.

Data are collected and provided to the UNC System by the Education Policy Initiative at the University of North Carolina at Chapel Hill. As the data are not held by the University of North Carolina System Office, we are unable to provide code to replicate this metric. For questions about this metric, please contact Mark Umbricht at mrumbricht@northcarolina.edu

Sponsored Research and Licensing

This is the amount of revenue from research, development sponsored program awards, and licensing income in a given fiscal year. Reporting guidelines for sponsored program awards and licensing income are identical to those used in the annual UNC Report to the President on Research and Sponsored Programs. Non-research COVID dollars and inter-institutional awards are removed from this calculation.

Data are provided to the UNC System Office by each institution, so no code is available to replicate this number. For questions about this metric, please contact Mark Umbricht at mrumbricht@northcarolina.edu

Strategic Plan Metrics Not Included in Incentive Compensation or Funding Model

Healthy Minds Survey

All institutions are expected by spring 2027 to participate in the Healthy Minds survey, an annual study of student mental health on college campuses. With baseline data from this survey, institutions will create campus-level goals and strategies to improve student mental health. There are no formal metrics other than participation in the survey.

Military Partnerships

Military partnerships include formal, signed partnerships agreements between the UNC System and a military-affiliated organization. The agreement must be signed by senior leadership on both sides and include at least one of the following criteria:

1. UNC System performs collaborative project(s) with the military partner organization
2. UNC System performs sponsored R&D project(s) funded by DOD as a direct result of the partnership
3. UNC System faculty, students, and/or staff participate in R&D efforts, internships, fellowships, research sabbaticals, teaching a course, etc. as a direct result of the partnership
4. UNC System researchers utilize DOD equipment, or DOD donates R&D equipment to UNC System
5. DOD personnel (uniformed and/or civilian) participate in UNC education or training courses
6. Partnership directly leads to increase in military student applications or enrollments, and/or increase in UNC System DOD/VA education benefits
7. A new product, good, or service is developed through the partnership
8. Patent application filed or awarded as a result of partnership activity
9. Transition of a UNC System technology, good or service to military partner

Positive Employee Experience

Employee experiences are measured using the biennial Systemwide employee engagement survey, which measures workplace satisfaction. The System will track key measures from the survey including job satisfaction, compensation and benefits, and professional development. These key measures will be benchmarked nationally against four-year public universities.

Voluntary Turnover

Voluntary turnover includes employees that chose to leave their institution. This metric includes employees that moved from one UNC System institution to another. This does not include involuntary turnover (management decision to end employment such as discharge, discontinuation of appointment, and reduction in force) or other turnover (retirement, death, or inability to return to work for medical reasons). Annual turnover is calculated by fiscal year. For example, 2021 voluntary turnover data includes faculty and staff that left between July 1, 2020 through June 30, 2021. Voluntary turnover for key subgroups disaggregates the voluntary turnover number by minority status and gender.

List of Underserved Counties

	Underserved Indicator		Underserved Indicator		Underserved Indicator
Alamance	1	Greene	1	Rockingham	1
Alexander	1	Guilford	0	Rowan	1
Alleghany	0	Halifax	1	Rutherford	1
Anson	1	Harnett	1	Sampson	1
Ashe	1	Haywood	1	Scotland	1
Avery	0	Henderson	1	Stanly	1
Beaufort	1	Hertford	0	Stokes	1
Bertie	1	Hoke	1	Surry	1
Bladen	1	Hyde	1	Swain	1
Brunswick	1	Iredell	0	Transylvania	1
Buncombe	1	Jackson	1	Tyrrell	1
Burke	1	Johnston	1	Union	0
Cabarrus	1	Jones	1	Vance	1
Caldwell	1	Lee	1	Wake	0
Camden	0	Lenoir	1	Warren	1
Carteret	0	Lincoln	0	Washington	1
Caswell	1	Macon	1	Watauga	0
Catawba	1	Madison	1	Wayne	1
Chatham	0	Martin	1	Wilkes	1
Cherokee	1	McDowell	1	Wilson	1
Chowan	1	Mecklenburg	0	Yadkin	1
Clay	1	Mitchell	1	Yancey	1
Cleveland	1	Montgomery	1		
Columbus	1	Moore	0		
Craven	1	Nash	1		
Cumberland	1	New Hanover	0		
Currituck	1	Northampton	1		
Dare	0	Onslow	1		
Davidson	1	Orange	0		
Davie	0	Pamlico	1		
Duplin	1	Pasquotank	1		
Durham	1	Pender	1		
Edgecombe	1	Perquimans	1		
Forsyth	0	Person	1		
Franklin	1	Pitt	0		
Gaston	1	Polk	1		
Gates	1	Randolph	1		
Graham	1	Richmond	1		
Granville	1	Robeson	1		

Appendix C: Factors Determining Funding Method & Tuition Charge

Last revised 2023/01/27

Purpose and Background

The University of North Carolina System Enrollment Funding Model uses student credit hours (SCH) to allocate a portion of funding to UNC System constituent institutions. The allocation method for enrollment funding changed effective with calendar year 2021. Updates to student data reporting are made effective calendar 2022.

UNC System constituent institutions supply data on students and credit hours through the Student Data Mart (SDM). This document explains the SDM elements that affect enrollment funding reporting. This document replaces what was Appendix C of the 2016 *UNC Enrollment Projection User Manual*.

Document Version History

Date	Version	SDM Release	Description
2016/09/19	1.0	4.0.3	Initial release
2018/09/26	1.1	5.3.0	Changed “Emergency Workers” from “not funded” to “funded”. Remove fund_code_student=O from the list of fund_code_student that makes the fundable_flag=N.
2020/02/12	1.2	6.0.0	Added MPH to the off-model programs that are not funded.
2022/10/21	1.3	6.5.0	Changed funding cost category to a 2-digit CIP Code, changed funding level to a STEM premium, made out-of-state students not fundable, made summer in-state fundable, adjusted FTE programs to SCH or off-model, made CPT students fundable.
	1.4	6.6.0	Changed CPT student audit hours to fundable, updated enrollment_funding_category to flag nursing hours, and created a section_special_funding_code to make outbound exchange students fundable.

Contents

This document includes:

- A list and description of the derived funding related elements in the enrollment dataset.
- Tables of funding elements and their sources in data feeds and datasets.

Enrollment Funding Model Changes Effective Calendar 2021

A summary of the changes in the enrollment funding model and full details will be provided in the funding manual.

List and Description of the Funding-Related Derived Elements in Enrollment Dataset

These elements represent changes in data elements effective with 6.5.0 and 6.6.0 SDM Releases.

Complete definitions are in the SDM dictionary at <https://uncdm.northcarolina.edu/sdm/dictionary.php>.

Dataset element	Description
FUNDABLE_FLAG	Y or N – Whether or not the enrollment record is fundable, taking all factors into account.
SECTION_FUNDING_MODEL_CODE (and SECTION_FUNDING_MODEL)	The funding model that applies to the section, based on fund_code, without regard to enrollment in the section or other factors – 1 – Enrollment Funded; 2 FTE Funded; 3 Not Funded; 4 Off Model.
SECTION_ENROLLMENT_FUNDING	No longer applicable to the funding model as of calendar year 2022; prior to calendar year 2022, indicated the 12-cell category; e.g. D1, U3...
SECTION_FUNDING_COST_CATEGORY	No longer applicable to the funding model as of calendar year 2022. In the new model, funding rates are based on course_cip_code.
FUND_TYPE_SECTION_SUMMER_NF	No longer applicable to the funding model as of calendar year 2022; prior to calendar year 2022, Y or N – flag indicating if the section is excluded from funding for this specific reason
FUND_TYPE_SECTION_IIS_NF	Y or N – flag indicating if the section is excluded from funding for this specific reason
FUND_TYPE_SECTION_OOS_NF	No longer applicable to the funding model as of calendar year 2022; prior to calendar year 2022, Y or N – flag indicating if the section is excluded from funding for this specific reason
STATE_EMPLOYEE_WAIVER_FLAG	Y or N - flag indicating if the course enrollment is paid with an employee waiver.
ENROLLMENT_FUNDING_MODEL_CODE (and ENROLLMENT_FUNDING_MODEL)	The code for the funding model that applies to the section and the enrollment in the section – 1 – Enrollment Funded; 2 FTE Funded; 3 Not Funded; 4 Off Model.
SECTION_FUNDING_LEVEL	The funding level that applies to the section; undergraduate, master’s, doctoral. For most disciplines, masters and doctoral courses are funded at the same level as undergraduate SCH. STEM courses are funded at higher rates at the master’s and doctoral levels.
ENROLLMENT_FUNDING_CATEGORY	An indicator of the funding category if the course enrollment may be funded at a non-standard rate. Examples: <ul style="list-style-type: none"> - Placeholder SCH in outbound exchange programs are funded at CIP 90. - STEM courses in the Masters and Doctoral level are funded at a premium. - Nursing courses are funded at a premium.

Details of the key funding-related derived elements in enrollment dataset; derivations are effective as of spring 2022.

FUNDABLE_FLAG: A Boolean (Y or N) value indicating if the student enrollment in the course section meets criteria for funding within the UNC Enrollment Funding Model.

Any of these cases make the FUNDABLE_FLAG = N. Otherwise FUNDABLE_FLAG = Y.

Datasets

From the datasets, which are joins of one or more data feeds and include descriptive names of dimension values:

All:

Excluded from IPEDS: If ENROLLMENT.EXCLUDE_FROM_IPEDS_ENRL_FLAG = Y unless CAREER_FUND_CODE = T or SECTION_SPECIAL_FUNDING_CODE = EXG

Sections Offered Content:

Service Placeholders: if SECTION_PLACEHOLDER_INDICATOR = 1

Correspondence course: If INSTRUCTIONAL_FORMAT_CODE = 01

Nonfundable programs: If SECTION_SPECIAL_FUNDING_CODE is in a value that maps to 3-Not Funded or 4-Off Model. (Note that these codes are in sdm_fund_code_d.fund_code_indicator = 3 (not funded) or 4 (off model) and includes funding_code_section in(AIC, APP, BBC, CCP, CUS, DPI, FTB, FSC, MBA, MPA, MPH, PLT, ROT, SAC, TAP, NON, MAC, DEN, MED, PCY, VET).

Joint: if OWNING_JOINT_INST_CODE is not null and is not the same as the submitting institution

Contract course: If SECTION_CONTRACT_FLAG = Y

Career Content:

Non-resident students: if CAREER.RESIDENCY_CODE = O

Enrollment Content:

Early College DPI funded: If STUDENT_SPECIAL_FUNDING_CODE = 9

If STUDENT_SPECIAL_FUNDING_CODE in(Y-over 65, X-exchange, NF-non fundable, S-state employee waiver)

Audit: If GA_GRADING_BASIS = A unless CAREER_FUND_CODE=T

Interinstitutional: If INTERINSTITUTIONAL_IND_CODE = IIS

UNC Online Home school: If INTERINSTITUTIONAL_IND_CODE = RXHM OR If COURSE_SUBJECT_CODE = UNCX and PLACEHOLDER_INDICATOR_CODE = 2 (Note that sections may be identified as section_placeholder_indicator = 1 for service placeholder but all service placeholders are considered non-fundable regardless of whether they are part of UNC Online.)

ENROLLMENT_FUNDING_MODEL_CODE and ENROLLMENT_FUNDING_MODEL

The enrollment funding model that applies to the student in the class section. This element takes into account all factors — term, institution, student, program, course, section — that affect enrollment funding.

Valid Values: 1 – SCH, 2 – FTE, 3 – Not State Funded, 4 – Off Model

If the submitting institution is UNCSA (INSTITUTION_ID = 16) then 2 – FTE;

If FUNDABLE_FLAG, using the logic above, is N and

FUND_CODE_INDICATOR=4 – Off Model then 4 – Off Model.

Else If FUNDABLE_FLAG, using the logic above, is N then 3 – Not state funded.

If FUNDABLE_FLAG, using the logic above, is Y and SECTIONS_OFFERED.FUNDING_CODE_SECTION is in one of the codes that maps to fund_code_indicator = 1 on SO5 SDM_FUND_CODES_D then 1-SCH; (note that this includes the value of null, which maps to 1- SCH)

SECTION_FUNDING_MODEL_CODE and SECTION_FUNDING_MODEL

An indicator for which funding model applies to the course section, based on the Section Special Funding Code, without regard to other factors that affect whether a section is funded or not.

```
CASE WHEN A.INSTITUTION_ID = 16 THEN 'FTE Funded'  
ELSE WHEN SECTION_CONTRACT_FLAG = 'Y' THEN 'Not State-Funded' (3)  
ELSE BA.FUND_CODE_INDICATOR  
END
```

SECTION_FUNDING_LEVEL

The funding level that applies to the section; undergraduate, master's, doctoral. Master's and doctoral courses are funded at the same base level, but STEM courses are funded at different rates based on masters or doctoral level.

If COURSE_LEVEL_CODE in(6,7,P,R) then SECTION_LEVEL_FUNDING = D - Doctoral;
else if COURSE_LEVEL_CODE in(4,5) then SECTION_LEVEL_FUNDING = M - Masters;
else if COURSE_LEVEL_CODE in(0,1,2) then SECTION_LEVEL_FUNDING = U- Undergraduate;
else SECTION_LEVEL_FUNDING = X - Undetermined.

ENROLLMENT_FUNDING_CATEGORY

An indicator of the funding category if the course enrollment may be funded at a non-standard rate. Course enrollments in the EXCHANGE funding category will be funded at the CIP code 90 rate. Masters and Doctoral course enrollments in the STEM funding category are eligible for additional STEM funding.

If SECTION_SPECIAL_FUNDING_CODE=EXG then EXCHANGE;
else if SECTION_SPECIAL_FUNDING_CODE=NUR then NURSING;
else if COURSE_CIP_CODE in (01, 03, 11, 14, 15, 26, 27, 29, 40, 51) then STEM;
else NONE

FUND_TYPE_SECTION_IIS_NF

An indicator that the section is not funded by the FTE funding model or by the Enrollment funding model because it is o-institution sending arrangement.

If OWNING_JOINT_INST_CODE is not null and is not equal to the INSTITUTION_CODE then Y; else N.

FACTORS THAT MAKE ENROLLMENTS NOT FUNDABLE

The default is to assume that enrollments are fundable. However, the following factors set enrollments to not fundable.

Institution/Program

Programs: Some programs in the UNC System are receipt supported and not funded on the enrollment model. Please look at the S05 dimension table in the SDM dictionary to view a list of these programs.

Institution: UNCSA has historically been on the FTE model, but new models are currently under evaluation.

Course Section

Population	Description/Notes	SDM Source (Datafeed and Data Element)	SDM Enrollment Dataset (Data Element)
Service Placeholders	A placeholder course for administrative purposes that will not be replaced with a true course.	SectionsOffered: SECTION_PLACEHOLDER_I NDICATOR=1	PLACEHOLDER_INDICATOR_CODE=1
Contract Course	Courses where a UNC institution enters into a contractual agreement and pays a 3rd party to provide instruction or is paid by a 3rd party to provide instruction are not fundable on the SCH model.	SectionsOffered: SECTION_CONTRACT=Y	SECTION_CONTRACT_FLAG=Y
Correspondence	SCHs generated in courses taken by correspondence (Independent Studies at UNC-CH) are not fundable on the SCH model	SectionsOffered: INSTRUCTIONAL_FORMAT=1	INSTRUCTIONAL_FORMAT_CODE=1

Student

Population	Description/Notes	SDM Source (Datafeed and Data Element)	SDM Enrollment Dataset (Data Element)
Out-of-State Resident	Only SCHs from in-state students are fundable.	Career: RESIDENCY=O	RESIDENCY=O
Non Fundable Student		Enrollment: FUNDING_CODE_STUDENT=NF	STUDENT_SPECIAL_FUNDING_CODE=NF

Early College High School (DPI funded)	SCHs generated by high school students enrolled in Early College High School are funded through other mechanisms and are not fundable on the University's funding model for enrollment change	Enrollment: FUNDING_CODE_STUDENT=9	STUDENT_SPECIAL_FUNDING_CODE=9
Tuition 65		Enrollment: FUNDING_CODE_STUDENT=Y	STUDENT_SPECIAL_FUNDING_CODE=Y
Exchange (not paying tuition to UNC)	Starting in the calendar year 2023, campuses may choose to flag inbound exchange students using this code. Outbound exchange students (those paying tuition to their home UNC institutions) should be coded with SECTION_SPECIAL_FUNDING_CODE=EXG.	Enrollment: FUNDING_CODE_STUDENT=X	STUDENT_SPECIAL_FUNDING_CODE=X

Enrollment (combination of student and course section)

Population	Description/Notes	SDM Source (Datafeed and Data Element)	SDM Enrollment Dataset (Data Element)
Excluded from Reporting	SCHs associated with enrollments that are excluded from reporting are not funded unless they meet the criteria below. Enrollments where CAREER_FUND_CODE=T (CTP students) or SECTION_SPECIAL_FUNDING_CODE=EXG (outbound exchange students paying tuition to their home UNC institution) are fundable.	Enrollment, Career, Sections Offered, Course Catalog: EXCLUDE_FROM_IPEDS_FLAG	EXCLUDE_FROM_IPEDS_ENRL_FLAG=Y
Tuition Waivers - State Employee	SCHs generated by employees, faculty, and staff of the University where the tuition waiver is claimed are not funded.	Enrollment: FUNDING_CODE_STUDENT=S	STUDENT_SPECIAL_FUNDING_CODE=S

Audits	Courses not degree creditable are not fundable on the SCH model, including courses taken on an audit basis, except for audit credits taken by CTP students (CAREER_FUND_CODE=T).	Enrollment: GA_GRADING_BASIS=A	AUDIT_FLAG=Y
Language Exchange (UNC Online) Home School	SCHs generated through UNC Online via arrangements in which an institution registers the student (home) but does not deliver the instruction [O] or where an institution provides only the site for the receipt of electronic instruction (host) [P] are not fundable on the SCH model.	Enrollment: INTERINSTITUTIONAL_IND_CODE=RXHM Course Catalog: COURSE_SUBJECT_CODE=UNCX Sections Offered: SECTION_PLACEHOLDER_INDICATOR=2	INTERINSTITUTIONAL_IND_CODE=RXHM COURSE_SUBJECT_CODE=UNCX PLACEHOLDER_INDICATOR_CODE=2
Joint Program / Interinstitutional Sending Arrangement	SCHs generated in inter-institutional consortia via arrangements in which an institution registers the student but does not deliver the instruction (as is true in most consortia arrangements) or where an institution provides only the site for the receipt of electronic instruction are not fundable on the SCH model	Enrollment: INTERINSTITUTIONAL_IND_CODE=IIS Sections Offered: OWNING_JOINT_INSTITUTION ^= the submitting institution and is not null	INTERINSTITUTIONAL_IND_CODE=IIS OWNING_JOINT_INST_CODE