

**EXCERPT relating to Tuition by the Credit Hour**  
**Minutes of UNC Chapel Hill Faculty Council Meeting (12/12/08)**

*Provost's Remarks*

*Provost Bernadette Gray-Little reported on several senior administrator searches:*

- The search for Director of the Renaissance Computing Institute is close to identifying a list of candidates to be invited to campus for interviews.*
- The search for Dean of the College of Arts and Sciences has not yet reached the point of narrowing candidates down to an interview list.*
- The search for Dean of the School of Nursing expects to identify finalists in January.*
- Dean Jose-Marie Griffiths has decided not to seek reappointment as Dean of the School of Information and Library Science. The search committee will be chaired by Dean John Stamm and will begin work in January.*

*On the budget front, the Provost reported that General Administration has asked that each institution submit scenarios in anticipation of reductions in state appropriations of three percent, five percent, and seven percent. All academic and support units have been asked to report how they would respond to state funds reductions of these magnitudes.*

*Provost Gray-Little spoke at length about the drive originating in General Administration to move to a system-wide method of computing tuition charges by credit hour. This discussion began about ten years ago, she said, and seems to have arisen from discussions on issues surrounding the growth of on-line course offerings and transfer of recognition of credits for such instruction among the sixteen campuses. Currently, tuition at Carolina is set at fixed rates for full-time in-state and out-of-state students without regard to the number of credit hours taken. Students enrolled on half-time status pay a lower rate, but it is not strictly proportional to credit hours taken. General Administration has wanted for several years to move to the credit hour model for three principal reasons: (1) greater transparency in accounting for tuition charges; (2) a stronger relationship between course load and tuition charges, and (3) facilitation of tuition charges for distance education work. The Provost said that Carolina has been vocal in opposing the credit-hour model for the last four or five years. We think it is inconsistent with the culture of this institution, she said, and would act as a disincentive to students who would otherwise explore courses not required for the degree they are seeking. She said that General Administration has accommodated all of the objections Carolina has advanced except those based on our educational philosophy.*

*The Provost said that the on-going controversy about the credit-hour tuition model is now at a critical juncture due to the impending implementation of the Enterprise Resource Planning (ERP) System. The time has come to decide whether to design the software to administer the current system of computing tuition or to move to the credit-hour model. Once that decision is made, implementation would be a year or two into the future. The Provost said that Assoc. Provost Elmira Mangum is now visiting each school to gather information for determining the appropriate credit-hour tuition charge for that unit. This will be a difficult task, she said, because the goal will be to set figures that are revenue-neutral.*



Prof. Gregory Copenhaver (Biology) asked what overall financial impact the credit-hour model will have, and whether there are ways to forestall disincentives for double majors and undergraduate research. The Provost replied that the average course load for undergraduates is 14.7 credit hours per semester. Every effort will be made to ensure that the new model generates the same amount of tuition revenue as the current plan, i.e., that it will be revenue-neutral. She said that it would be very difficult if not impossible to address advantages or disadvantages from the vantage point of any particular student.

In response to a question from Prof. Joy Renner (Allied Health Sciences) the Provost said that the current system for tuition surcharges in certain circumstances would continue unchanged.

Prof. Judith Wegner (Law), Chair of the UNC Faculty Assembly, reported that the Faculty Assembly plans to consider a resolution at its January meeting expressing concern about the credit-hour model and urging further study. The Provost replied that Carolina has made the case against the plan repeatedly without success. It is not possible, she said, to program the ERP software to implement both systems. Prof. Wegner said that rumor has it that Carolina is on board with the new plan. The Provost replied that any such rumor is false.

Prof. Douglas Kelly (Statistics & Operations Research), seconded by Prof. Jean DeSaix (Biology) moved that the rules be suspended to the end that the Council might entertain a resolution on the subject of tuition computation methods. The motion was adopted unanimously.

Prof. Kelly, seconded by Prof. DeSaix, moved adoption of the following resolution

Resolution 2008-5. On Tuition Computation Methods

Resolved, that it is the unanimous sentiment of the Faculty Council of the University of North Carolina at Chapel Hill that the block method of computing tuition is preferable to the proposed credit-hour system.

The resolution was adopted without dissent.

Chancellor Thorp said that he strongly supports the resolution, but that a decision to implement the credit-hour model is inexorable. "We have no choice," he said.

Moving to another topic, Prof. Templeton asked whether the faculty will have input on budget reduction decisions. The Provost replied that the University Priorities and Budget Advisory Committee will be consulted, and that faculty should also have input at the school and department level. She welcomed suggestions about the overall approach to this matter.