ECU BOARD OF TRUSTEES

AGENDA
Joint Meeting of the Committee on Strategy & Innovation and the University Affairs Committee
February 15, 2024

I.	Roll Call	Mr. Jeff Roberts Acting Chair
II.	Approval of Minutes – November 30, 2023	Mr. Jeff Roberts Acting Chair
III.	University Affairs Committee Operational Metrics	Dr. Robin Coger Provost & Senior Vice Chancellor
IV.	Return on Investment	Dr. Andrew Kelly Senior Vice President for Strategy & Policy UNC System Office
V.	Break	
VI.	Tech Transfer and NC Innovation	Dr. Sharon Paynter
VII.	Intercollegiate Athletics Report	Dr. Robin Coger Provost & Senior Vice Chancellor
VIII.	Closed Session	

AGENDA ITEM

I. Roll Call .....Mr. Jeff Roberts
Acting Committee Chair

Situation: Roll call of both the Committee on Strategy & Innovation and the University Affairs Committee

Background:

Assessment:

Action:

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AGENDA ITEM

II. Approval of Minutes – November 30, 2023.....Mr. Jeff Roberts
Acting Committee Chair

Situation: Approval of the minutes from the November 30, 2023 Committee on Strategy & Innovation and University Affairs Committee meetings are required.

Background:

Assessment:

Action: This item requires a vote by the committees.

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Minutes
Committee on Strategic Initiatives for November 30, 2023

The Committee on Strategic Initiatives met on November 30, 2023 and all committee members were present. The committee approved the minutes from the September 28, 2023 meeting. Dr. Sharon Paynter, Acting Chief Research and Engagement Officer, facilitated a panel discussion focused on ECU's commitment to student success throught he lens of three faculty members from the School of Dental Medicine, the College of Health and Human Performance, and the College of Fine Arts and Communications, and their students. The relationships between faculty and students were powerful and it was exciting to see how those relationships impact student retention, employability and the entire Pirate Exerience. It was really interesting to hear the students talk about their experiences in different learning settings, such as the living learning communities, traditional classrooms, and research settings.

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Minutes from the University Affairs Committee
November 30, 2023 – Main Campus Student Center and Online Meeting

The University Affairs Committee of the ECU Board of Trustees met in person on Thursday, November 30.

Committee members present:
Dave Fussell (chair); Jeffrey Roberts (vice chair); Tom Furr; Javier Limon; Vince Smith; Vanessa Workman

Other Board members present:
Jason Poole, Van Isley, Scott Shook

Trustee Dave Fussell, Chair of the Committee, convened the meeting at 3:07PM. Chairman Fussell read the conflict-of-interest provisions as required by the State Government Ethics Act and asked if anyone would like to declare or report an actual or perceived conflict. None were reported.

Chairman Fussell called role and a quorum was established.

I. Approval of Minutes

Chairman Fussell asked for the approval of the minutes of the September 28, 2023 committee meeting. Trustee Furr motioned and received a second. All in favor.

Action Item

The minutes of the September 28, 2023 committee meeting were approved with no changes.

II. Operational Metrics

Board members were encouraged to reach out to Provost Coger with any questions about the updated operational metrics available in board materials.

III. Conferral of Degrees

Provost Coger requested the Committee consider the candidates for degrees to be conferred at the upcoming December commencement ceremony.

Trustee Limon moved that the candidates for degrees, as approved by the Chancellor and the Faculty Senate, be authorized for conferral at the annual Winter Commencement on Friday, December 15, 2023 and recommended this item for full board consideration. Motion was seconded. All in favor.

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Action Item

The Committee voted to approve the candidates for degrees at December commencement and recommend for full Board consideration.

IV. Conferral of Honorary Academic Titles Policy

Provost Coger reminded the Committee of a policy recently approved at the August Board meeting, the Interim Conferral of Honorary Academic Titles Policy. At that time, interim status was requested to allow more time for consideration of the policy before finalizing; based on no further proposed edits or revisions to the policy since it's original approval, Dr. Coger requested the Board approve the removal of the Interim designation on the Policy.

Trustee Limon motioned for the approval of the Conferral of Honorary Academic Titles Policy as presented in Board materials, and requested the item be added to the consent agenda for tomorrow's full Board meeting. Motion was seconded. All in favor.

Action Item

The Committee voted to approve the Policy as presented in Board materials and add to consent agenda for the December 1 full Board meeting.

V. Evaluative Feedback and ECU

Provost Coger introduced the informational topic for the committee, a session highlighting how evaluative processes at ECU are used to ensure the University's relevance, effectiveness, and successes in being a national model. Today's examples include a general overview of faculty evaluative processes, description of a recent assessment of Student Affairs' Center for Leadership and Civic Engagement, and examples of the way feedback shapes research at ECU.

A. *Research / Creative Works Examples: Real world feedback from Industry and Partner Ensure Relevancy*

   Dr. Sharon Paynter and Dr. Zachary Domire (Associate Professor, Kinesiology, College of Health and Human Performance // Director, Biomechanics // Performance Optimization Lab) joined the committee to discuss a research perspective on evaluative processes. Dr. Domire shared information about his expertise, his lab and the research he is conducting. Dr. Paynter discussed the ways in which research can

be evaluated on how impactful it is, and Dr. Domire shared his experience in receiving feedback from partners or stakeholders (using an example working with the military, in particular). Dr. Domire also discussed how funded undergraduate and graduate students are able to partner and share in meaningful research.

Trustee Furr asked questions relating to student opportunity to visit partner facilities and whether partnering with industry is an important part of how Dr. Domire is evaluated in his research.

B. *Student Affairs Evaluation Example: Student Leadership Development Programs*

Vice Chancellor Brandon Frye joined the committee to introduce Dr. Erik Kneubuehl and Dr. Dennis McCunney and two student leaders to discuss Leadership Development Programs in Student Affairs. Specifically, the panel was convened to discuss both the recent assessment, recommendations, and impact of a two-year effort related to evaluating 12 leadership programs in the division, and to allow student testimonial of their leadership experiences at ECU.

Dr. Kneubuehl described when and why the assessment of leadership programs was implemented before turning it over to Dr. McCunney to share with the Board the expected outcomes from the assessment, including identifying donors, encouraging collaborations with other divisions, and identifying resources to align with existing programs. Dr. McCunney went through the evaluation process and the findings from the assessment.

Two student leaders, Abby Ulffers and Tete Narh-Mensah, continued the panel discussion by describing what their leadership experience was like in two different programs offered in the division. The students mentioned learning much about themselves, their emerging leadership style and developing their own definitions of leadership, learning about the management of conflict, and the importance of networking opportunities provided by their programs.

Trustee Furr asked the students about how they have used or applied the leadership skills they acquired. Trustee Roberts asked Ms. Ulffers to share a little about her vision board that she discussed during her comments on the panel. Trustee Fussell thanked the students for making ECU proud.

C. *Faculty Evaluations*

Provost Coger returned to the podium to discuss how faculty at ECU are evaluated, so that Board members could have an understanding of the processes in place at ECU. Dr. Coger described the many ways in which faculty are evaluated, including: teaching reviews; annual performance reviews; reappointment, promotion and tenure

processes; post-tenure review processes; and accreditation related practices. She detailed which types of faculty members various review processes or evaluative tools may apply to, and also described the personnel action dossier that faculty members must compile throughout their career. Dr. Coger concluded by reiterating the importance of an awareness of the processes that determine actions which come to the Board for their review and approval.

Trustee Limon had questions related to Student Survey of Instruction and Dr. Coger shared some thoughts about how teaching is evaluated by students and how to engage students with that opportunity.

Trustee Smith also had a question related to student feedback on faculty, noting how public means of feedback can be deeply polarized, and there was discussion about how feedback from external evaluators may be used.

Trustee Fussell shared comments on how it was helpful to learn about the rigor of faculty evaluation and consideration at ECU. Dr. Coger shared more information about post-tenure evaluation and mentioned how the System Office is examining some policies that will ultimately have to be reviewed at ECU.

VI. Closed Session

Trustee Limon made a motion that the committee go into closed session to consider personnel related matters. Motion was seconded. All in favor.

At 4:04 the Committee went into closed session.

The committee returned from closed session at 4:06PM and adjourned.

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Respectfully submitted,
Madeleine Bade Griffith, Office of the Provost

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AGENDA ITEM

III. University Affairs Operational Metrics ..... Dr. Robin Coger
Provost & Senior Vice Chancellor
for Academic Affairs

Situation: Presentation of the metrics monitored by the University Affairs Committee.

Background:

Assessment:

Action: This item is for information only.

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ECU

CEO Tracking Sheet
Fiscal Year - 2024
University Affairs Committee

KPI	Measurement	Prior Year	Target	Variance	FY2024 Target	July	August	September	October	November	December	January	February	March	April	May	June	Total
New Freshmen Applications	Number of new freshmen applications submitted.	24,364	24,607	Monthly Plan	24,607	0	315	976	12,066	5,051	1,590	2,331	1,130	855	275	3	15	**24,607**
				Monthly Actual			377	3,466	15,579	3,817	1,393	2,095						
				Monthly +/-			62	2,490	3,513	-1,234	-197	-236						
				YTD Plan			315	1,291	13,357	18,408	19,998	22,329	23,459	24,314	24,589	24,592	24,607	**24,607**
				YTD Actual			377	3,843	19,422	23,239	24,632	26,727						
				YTD +/-			62	2,552	6,065	4,831	4,634	4,398						
New Freshmen Enrollment Deposits	Number of enrollment deposits paid by new freshmen.	4,502	4,547	Monthly Plan	4,547	0	0	14	62	134	189	573	722	1,134	1,436	233	50	**4,547**
				Monthly Actual				19	131	162	219	597						
				Monthly +/-				5	69	28	30	24						
				YTD Plan				14	76	210	399	972	1,694	2,828	4,264	4,497	4,547	**4,547**
				YTD Actual				19	150	312	531	1,128						
				YTD +/-				5	74	102	132	156						
New Transfer Applications	Number of new transfer applications submitted.	2,993	2,993	Monthly Plan	2,993	0	35	59	313	102	138	403	330	441	397	439	336	**2,993**
				Monthly Actual			33	204	327	118	114	370						
				Monthly +/-			-2	145	14	16	-24	-33						
				YTD Plan			35	94	407	509	647	1,050	1,380	1,821	2,218	2,657	2,993	**2,993**
				YTD Actual			33	237	564	682	796	1,166						
				YTD +/-			-2	143	157	173	149	116						
New Transfer Enrollment Deposits	Number of enrollment deposits paid by new transfers.	1,447	1,447	Monthly Plan	1,447	0	0	2	14	53	42	81	152	222	246	319	316	**1,447**
				Monthly Actual				4	20	49	34	66						
				Monthly +/-				2	6	-4	-8	-15						
				YTD Plan				2	16	69	111	192	344	566	812	1,131	1,447	**1,447**
				YTD Actual				4	24	73	107	173						
				YTD +/-				2	8	4	-4	-19						
New Graduate Admits	Number of new graduate admits.	1,873	1,854	Monthly Plan	1,854	0	17	21	52	43	143	180	274	395	300	254	175	**1,854**
				Monthly Actual		3	22	33	76	82	151	163						
				Monthly +/-		3	5	12	24	39	8	-17						
				YTD Plan		0	17	38	90	133	276	456	730	1,125	1,425	1,679	1,854	**1,854**
				YTD Actual		3	25	58	134	216	367	530						
				YTD +/-		3	8	20	44	83	91	74						
Fundable Student Credit Hours	Number of fundable student credit hours for the calendar year.	563,499	557,864	Monthly Plan	557,864	0	0	0	0	223,683	20,658	9,862	519	133,299	129,691	25,395	14,757	**557,864**
				Monthly Actual						224,352	16,898	9,341						
				Monthly +/-						669	-3,760	-521						
				YTD Plan						223,683	244,341	254,203	254,722	388,021	517,712	543,107	557,864	**557,864**
				YTD Actual						224,352	241,250	250,591						
				YTD +/-						669	-3,091	-3,612						
Total Enrollment	Number of registered students.	25,118	24,866	Plan	24,866	0	0	0	0	0	0	0	0	9,453	11,083	2,325	2,005	**24,866**
				Actual														
				+/-														
				YTD +/-														
Sponsored Awards	Sponsored awards, excluding ECUP and SoDM	$ 85,584,144	$ 73,000,000	Plan	$73,000,000	$10,220,000	$7,154,000	$6,351,000	$3,796,000	$3,577,000	$2,920,000	$2,993,000	$3,942,000	$4,088,000	$4,818,000	$10,001,000	$13,140,000	73,000,000
				Actual		$9,079,042	$9,634,064	$4,485,532	$5,395,746	$4,049,151	$3,442,140	$8,023,640						$44,109,315
				+/-		-$1,140,958	$2,480,064	-$1,865,468	$1,599,746	$472,151	$522,140	$5,030,640						
				YTD +/-		-$1,140,958	$1,339,106	-$526,362	$1,073,384	$1,545,535	$2,067,675	$7,098,315						
Research Awards	Research awards	$ 40,957,400	$ 36,500,000	Plan	$36,500,000	$5,110,000	$3,577,000	$3,175,500	$1,898,000	$1,788,500	$1,460,000	$1,496,500	$1,971,000	$2,044,000	$2,409,000	$5,000,500	$6,570,000	36,500,000
				Actual		$5,010,496	$3,320,522	$2,842,930	$1,735,025	$2,453,802	$991,571	$2,631,345						$18,985,691
				+/-		-$99,504	-$256,478	-$332,570	-$162,975	$665,302	-$468,429	$1,134,845						
				YTD +/-		-$99,504	-$355,982	-$688,552	-$851,527	-$186,225	-$654,654	$480,191						
F&A Awarded	Sum of indirect cost of sponsor awards awarded	$ 12,103,062	$ 17,500,000	Plan	$17,500,000	$2,450,000	$1,715,000	$1,522,500	$910,000	$857,500	$700,000	$717,500	$945,000	$980,000	$1,155,000	$2,397,500	$3,150,000	17,500,000
				Actual		$1,473,526	$1,316,703	$958,068	$639,896	$778,697	$450,858	$811,583						$6,429,331
				+/-		-$976,474	-$398,297	-$564,432	-$270,104	-$78,803	-$249,142	$94,083						
				YTD +/-		-$976,474	-$1,374,771	-$1,939,203	-$2,209,307	-$2,288,110	-$2,537,252	-$2,443,169						
Housing Contract Commitments Fall 2024 First-Time First-Year Students	On campus housing contract commitments (Jan-Jun)	3,715	3,752	Plan	3,752	0	0	0	0	0	0	390	430	970	1,337	490	135	**3,752**
				Actual								525						
				+/-								135						
				YTD +/-								135						
Counseling Center Visits	Annual Visits	6,897	7,935	Plan	7,935	185	400	1,000	1,100	900	350	700	1,000	1,000	850	250	200	**7,935**
				Actual		201	425	847	1,021	857	362	607						
				+/-		16	25	-153	-79	-43	12	-93						
				YTD +/-		16	41	-112	-191	-234	-222	-315						
Total Counseling Visits	Annual Visits	NA	9,085	Plan	9,085	210	450	1,120	1,300	1,050	425	850	1,100	1,090	970	295	225	**9,085**
				Actual		228	489	945	1,138	966	438	788						
				+/-		18	39	-175	-162	-84	13	-62						
				YTD +/-		18	57	-118	-280	-364	-351	-413						

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AGENDA ITEM

IV. Return on Investment Study Presentation .....Dr. Andrew Kelly
Senior Vice President for
Strategy & Policy
UNC System Office

Situation: Americans are increasingly skeptical of the value of higher education, especially young adults of college-going age. Some observers believe this skepticism has contributed to recent declines in enrollment, which as in turn put pressure on colleges, universities, and public university systems to prove (and improve) the return on investment associated with degree and credential programs. At its November 2023 meeting, the UNC Board of Governors reviewed the results of a two-year study on the return on investment (ROI) associated with nearly every degree program in the System commissioned by the General Assembly. That report, the associated dashboards, and transmittal letter from the Board of Governors were submitted to the General Assembly in November 2023.

Background: As directed by the General Assembly in the 2021 budget, the Board of Governors has completed a report that captures the return on investment associated with nearly every degree program at every institution in the System ("ROI Report"). In its submission of that report to the General Assembly in November 2023, the Board of Governors included a transmittal letter outlining the set of actions to be taken by the Board, the president and System Office, and the chancellors of each constituent university in response to the report's findings.

Those actions include an immediate review by chancellors and other university leaders of low-ROI programs, the provision of machine-readable program-level datasets, a review of academic policies related to program approval and review, and development of data-sharing agreements with state and federal agencies.

Assessment: The Committee on Strategy & Innovation and the University Affairs Committee will receive a presentation on the overall ROI Report, an analysis of ECU related data and will have a discussion regarding next steps and future initiatives.

Action: This item is for information only.

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THE UNIVERSITY OF NORTH CAROLINA SYSTEM

University of North Carolina System
Evaluation of University Programs

November 2023

version 3 | release date 11/20/23

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Executive Summary | Observations

The North Carolina General Assembly directed the University of North Carolina Board of Governors ("BoG") to contract with an independent consultant to conduct an evaluation of current programs at each constituent institution of the University of North Carolina System ("UNC System") related to operational costs, student outcomes, and return on investment ("ROI") of each program.

The guide that follows this Executive Summary details the dashboards created to evaluate ROI from the perspective of three different stakeholder groups: each institution in the UNC System, UNC System students, and the State of North Carolina. You can find a pdf version of the System-Wide dashboards immediately following this executive summary, and the live dashboards on the following public web page: https://myinsight.northcarolina.edu/t/Public/views/UNCLandingPage/LandingPage

For context, the UNC System is composed of 16 universities each of which offers multiple degree programs at the undergraduate and graduate level. Analysts may wish to look at the ROI associated with individual degree programs at the institution level or examine ROI for a particular program of study offered across universities. This study allows for both sets of analyses. The set of data assessed examines 765 undergraduate programs of study across all institutions. These roll up into 242 unique undergraduate programs of study at the System level (designated as 6-digit Classification of Instructional Program (CIP) codes). These 242 undergraduate programs of study are classified into 30 undergraduate fields of study, represented by a 2-digit CIP code. In addition, the set of data assessed included 599 graduate programs of study that roll up into 246 unique graduate programs of study (6-digit CIP codes) at the System level. These 246 graduate programs are classified into 28 graduate fields of study (2-digit CIP code). The study excluded a set of professional programs of study across undergraduate and graduate programs, this list of exclusions can be found on page 13 of this report. The dashboards enable users to look at prior student outcomes across the System and at institutions at both the field of study and program of study level.

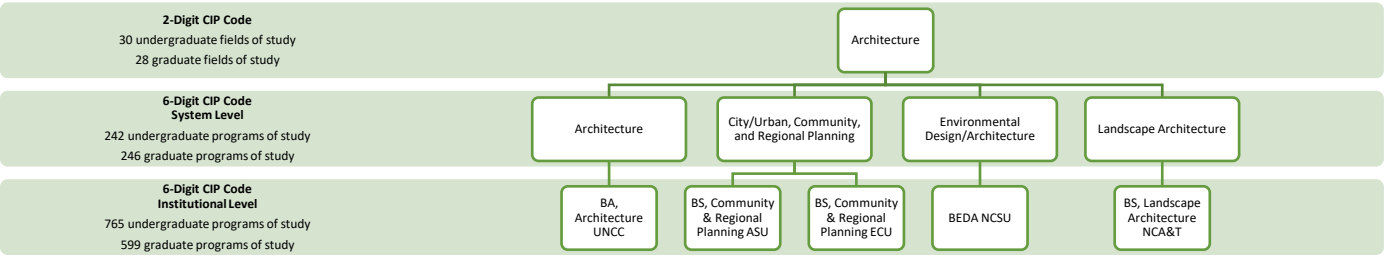

Figure 1. Example of program of study and field of study roll up

Summary Observations

This study estimated return on investment (ROI) – the lifetime earnings minus the costs of college – for the 765 undergraduate programs of study and 599 graduate programs of study offered across the 16 System institutions between the years of 2015 to 2020. These ROI calculations are made by comparing the expected lifetime earnings of UNC graduates against the expected lifetime earnings of those without a college degree for undergraduate programs or with a bachelor's degree for graduate programs, as measured by the American Community Survey, in the state to isolate the additive (i.e., incremental) value of a UNC degree.

Across all programs, the data show that the median incremental lifetime ROI for an undergraduate student who completes a degree is $494,091 while the median incremental lifetime ROI for a graduate student who completes a degree is $930,515. Program-level findings include:

- Of the 1,364 programs examined at the institution level, 1,263 or **93% had a positive ROI** for students.
    - Of the undergraduate programs, 716 out of 765 or **94%, had a positive ROI** for students
    - Of the graduate programs, 548 out of 599 or **91%, had a positive ROI** for students
- Of the 599 graduate programs of study, 406 or **68% provided a median lifetime ROI greater than $500,000**.
- When looking at the highest ROI programs at the System level, the study finds that graduates of **42 of 242 undergraduate programs and 83 of 246 graduate programs earned a median lifetime ROI greater than $1M**. Many of these high-return programs are aligned to critical workforce needs in the state. The tables below detail those programs of study which are currently offered and return greater than $1M lifetime ROI. Note that additional programs with returns greater than $1M in ROI that are no longer active are excluded from this table.

Undergraduate Programs of Study Graduates Pooled Across Institutions	**Median Lifetime ROI**	**2019-20 Enrollment**	**2019-20 Degree Conferrals**
Biotechnology	$3,234,010	9	2
Science Technologies/Technicians, Other	$2,245,912	71	16
Biostatistics	$1,963,757	120	13
Applied Mathematics, General	$1,854,673	630	78
Medical Radiologic Technology/Science	$1,750,432	46	7
Chemical Engineering	$1,706,011	602	131

Undergraduate Programs of Study Graduates Pooled Across Institutions	Median Lifetime ROI	2019-20 Enrollment	2019-20 Degree Conferrals
Computer Engineering, General	$1,593,887	941	218
Agricultural and Extension Education Services	$1,417,025	9	6
Industrial Engineering	$1,410,242	515	124
Genetics, General	$1,402,315	109	22
Electrical and Electronics Engineering	$1,391,027	1,273	213
Bioengineering and Biomedical Engineering	$1,383,642	948	206
Information Science/Studies	$1,375,761	226	42
Agricultural Teacher Education	$1,344,304	193	55
Teacher Education and Professional Development	$1,318,472	99	14
Poultry Science	$1,307,996	87	19
Statistics, General	$1,298,246	270	46
Actuarial Science	$1,254,771	79	20
Microbiology, General	$1,254,388	156	46
Construction Engineering	$1,245,341	66	13
Environmental/Environmental Health Engineering	$1,217,822	145	33
Logistics, Materials, and Supply Chain Management	$1,212,180	177	62
Neuroscience	$1,163,339	620	33
Registered Nursing/Registered Nurse	$1,157,856	11,490	2,643
Accounting	$1,152,919	3,098	719
Civil Engineering, General	$1,141,452	1,165	234
Dental Hygiene/Hygienist	$1,110,352	111	31
Biochemistry	$1,060,680	646	97
Engineering, General	$1,053,331	3,017	252
Construction Management, General	$1,049,962	537	98
Computer Science	$1,048,230	8,035	1,505
Agricultural Engineering	$1,033,165	193	56
Mechanical Engineering	$1,015,628	2,598	542
Wood Science and Wood Products/Pulp and Paper Tech	$3,234,010	248	53

Graduate Programs of Study Graduates Pooled Across Institutions	Median Lifetime ROI	2019-20 Enrollment	2019-20 Degree Conferrals
Medical Science/Scientist	$5,200,903	23	10
Dental Clinical Sciences, General	$4,803,939	95	25
Computer Engineering, General	$4,277,558	351	106
Health Professions and Related Clinical Sciences, Other	$3,657,283	85	18
Biotechnology	$3,407,712	56	21
Data Modeling/Warehousing and Database Administration	$3,109,699	322	157
Environmental/Environmental Health Engineering	$2,994,454	41	15
Civil Engineering Technologies/Technicians	$2,830,485	0	0
Statistics, General	$2,765,269	377	104
Civil Engineering, General	$2,641,851	434	107
Nursing Science	$2,517,334	217	56
Physician Associate/Assistant	$2,471,160	165	51
Agricultural Engineering	$2,466,888	82	14

Graduate Programs of Study Graduates Pooled Across Institutions	Median Lifetime ROI	2019-20 Enrollment	2019-20 Degree Conferrals
Registered Nursing, Nursing Administration, Nursing Research and Clinical Nursing, Other	$2,381,423	789	184
Family Practice Nurse/Nursing	$2,366,781	739	196
Electrical and Electronics Engineering	$2,274,346	954	232
Information Technology	$2,200,791	184	84
Management Science	$2,158,262	1883	797
Registered Nursing/Registered Nurse	$2,134,145	167	163
Computer Science	$2,087,864	1898	708
Bioengineering and Biomedical Engineering	$2,084,832	174	50
Accounting	$2,074,460	1015	573
Mechanical Engineering	$2,074,275	596	157
Management Sciences and Quantitative Methods, Other	$2,027,755	349	133
Educational Administration and Supervision, Other	$1,902,013	53	5
Engineering/Industrial Management	$1,860,639	123	25
Industrial Engineering	$1,797,995	348	88
Environmental Design/Architecture	$1,670,655	41	5
Economics, General	$1,619,245	194	43
Computer and Information Sciences, General	$1,593,715	0	24
Speech-Language Pathology/Pathologist	$1,592,616	92	36
Management Information Systems, General	$1,586,334	52	16
Business Administration and Management, General	$1,552,245	5267	1168
Engineering, General	$1,502,105	67	21
Pathology/Experimental Pathology	$1,476,429	23	6
Human/Medical Genetics	$1,465,280	15	7
Mathematical Statistics and Probability	$1,464,988	95	28
Medical Informatics	$1,453,419	139	53
Engineering-Related Technologies/Technicians	$1,448,397	52	16
Health/Health Care Administration/Management	$1,430,439	586	227
Biochemistry	$1,419,758	68	14
Educational Leadership and Administration, General	$1,414,480	1260	319
Professional, Technical, Business, and Scientific Writing	$1,381,153	46	23
Computer Software Engineering	$1,379,183	37	10
Pharmaceutics and Drug Design	$1,373,682	116	29
Computer Systems Networking and Telecommunications	$1,364,525	307	139
Bioinformatics	$1,346,007	136	26
Secondary School Administration/Principalship	$1,318,633	246	100
Respiratory Care Therapy/Therapist	$1,317,264	40	11
Business Administration, Management and Operations	$1,308,299	99	20
Econometrics and Quantitative Economics	$1,306,987	234	106
Communication Sciences and Disorders, General	$1,300,977	193	75
Financial Mathematics	$1,272,333	126	69
Occupational Therapy/Therapist	$1,253,641	223	76
School Psychology	$1,234,909	50	18

Graduate Programs of Study Graduates Pooled Across Institutions	Median Lifetime ROI	2019-20 Enrollment	2019-20 Degree Conferrals
Industrial and Organizational Psychology	$1,233,523	39	23
Toxicology	$1,222,605	48	12
Biostatistics	$1,220,676	199	39
Audiology/Audiologist and Speech-Language Pathology	$1,217,663	234	106
Soil Science and Agronomy, General	$1,198,671	28	9
Elementary Education and Teaching	$1,192,660	216	82
Network and System Administration/Administrator	$1,179,118	117	45
Agricultural and Extension Education Services	$1,118,170	0	13
International Business/Trade/Commerce	$1,105,166	13	2
Public Health, General	$1,100,777	748	171
Manufacturing Engineering	$1,089,941	69	58
National Security Policy Studies	$1,076,118	40	7
Real Estate	$1,063,321	18	4
Textile Sciences and Engineering	$1,052,160	276	88
Digital Communication and Media/Multimedia	$1,039,174	78	27
Nuclear Engineering	$1,027,004	153	38

A closer look at several programs identifies noteworthy data points over the timeframe of the study:

- 100% of Education programs of study (critical need job for NC) at the undergraduate and graduate level provided a positive ROI for students
- 96% of Health Professions and Related programs of study (critical need job for NC) at the undergraduate and graduate level provided a positive ROI for students
- Upward economic mobility for graduates is significant: 89.6% of low-income graduates (defined as those whose family income was in the lowest band at the time of enrollment) move up at least one income band as their careers progress.

Conclusion

This data set offers the UNC System the opportunity for further study of historical programs level outcomes, in the context of student needs, state needs and the results across different universities. This data set, and the ability to search and compare historical data, offers opportunities for the System, individual universities, and students to ask critical questions and inform decisions.

The System and its institutions might use this data to identify "bright spots" across programs—instances where a program at one institution offers a high return on investment when compared to its sister program at another institution. This would prompt a deeper examination of the context of the two data points: are the two programs offering different aid packages to students (thus lowering the investment for one group)? Are career placement or industry partnership different among the two institutions, (thus offering different earning opportunities to students)? Do students from the two institutions come from different socio-economic backgrounds (thus bringing different external supports, or perhaps starting from a different economic mobility tier)? Do more students than average (across the System) leave the state to pursue careers (thus narrowing the dataset and perhaps missing the full picture of ROI)? This dataset will offer the opportunity for institutions and the System to identify the programs and institutions where deeper examination may offer insight into changes that could benefit students and the state.

For students choosing to pursue a degree program within the UNC System, this series of Student ROI dashboards could be used help a student in the future to make data-informed decisions by using real profiles of UNC System graduates. The questions that these dashboards can help a prospective student answer could range from: What is the value of staying within North Carolina versus pursuing a degree outside of the State? Based on my profile, how much aid can I expect and what will be my net required investment? How does that required investment vary across universities and programs? Am I more likely to have greater career earnings by working for four years after high school or by attending college? How likely am I to get a job in a field aligned to my degree upon or shortly after graduation?

It is our expectation that these dashboards are not seen as an "answer," but rather are leveraged to enable the System, its institutions, and future students to better understand the right questions to ask and to enable analysts to review the data to inform decisions.

UNC Institutional ROI Dashboard

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Overview and Instructions

This page provides context and instruction for the UNC System Dashboard.

Dashboard Summary

The dashboard aims to respond to the legislative request to provide the number of faculty and staff employed for each program and the related costs to operate each program, inclusive of total staff compensation and benefits, facility costs, and any other related expenses, including overhead. It provides general context about the UNC System and the 16 constituent institutions.

This dashboard is part of a three-dashboard series that includes Institutional Context, Student ROI, and State ROI dashboards.

Dashboard Components

1. Summary:

Provides an overview of the key institutional context metrics

2. Operating Costs:

Provides the number of faculty and staff employed for each meta-department, as well as the related costs to operate each meta-department

3. Academic Production:

Provides an overview of credit hours and degrees produced by each meta-department

Assumptions & Methodology

Scope of Analysis

The following 16 UNC System institutions are in-scope for this analysis:

1. Appalachian State University
2. East Carolina University
3. Elizabeth City State University
4. Fayetteville State University
5. North Carolina A&T State University
6. North Carolina Central University
7. North Carolina State University
8. University of North Carolina at Asheville
9. University of North Carolina at Chapel Hill
10. University of North Carolina at Charlotte
11. University of North Carolina at Greensboro
12. University of North Carolina at Pembroke
13. University of North Carolina School of the Arts
14. University of North Carolina Wilmington
15. Western Carolina University
16. Winston-Salem State University

Note that UNC affiliates (e.g., UNC Health, PBS North Carolina, The North Carolina Arboretum, The University of North Carolina Press, The North Carolina State Education Assistance Authority) as well as UNC high schools and students (e.g., North Carolina School of Science and Mathematics) are out of scope for this analysis.

Additionally, Associates Degrees, Certificates, and the following terminal graduate degrees have been excluded from the analysis: Dentistry, Medical, Veterinary, Pharmacy, Law.

Meta-Departments

The unit of analysis for this dashboard is the 'Meta Department.' At each of the institutions within the UNC System, funds are expended at the department or cost center level, not the program or degree level. Therefore, capturing the 'cost' of any particular undergraduate or graduate degree requires significant and complex allocation decisions that cannot be accurately replicated in a uniform way across all institutions. Therefore, the unit of analysis needed to reflect the business practice of expenses being booked at the department level. Due to the level of autonomy at each institution to design their own academic structure, there is no standardization in departments across the institutions. Therefore, a meta-department structure was created to effectively map all existing institutional departments to a uniform set of meta-departments that sufficiently align similar disciplines and departments. Institutions were consulted about the mapping and provided feedback to ensure departments were mapped appropriately to their respective meta-department. The Military Science & Technology Meta-Department has been excluded from this analysis to reflect that this Meta-Department is partially driven by ROTC courses, which have Faculty/Staff that are externally funded.

Disclaimer: Costs & Credit Hours are functions of the General Ledger and Course Departments that are aligned to each Meta-Department. The way in which costs are booked to the General Ledger, and the structure of courses in Course Departments drive these metrics. Any structural or procedural changes to these processes or organization over time can result in impacts to the displayed metrics.

Operating Cost Categories

Institution costs of program delivery were accounted for using three categories - Direct Costs, Academic Overhead, and Indirect Costs:

- ***Direct Costs*** are dollars that are labeled as 'instruction' or 'academic support' (via the 'Program Code' in the finance datamart) and booked directly to an academic department, such as salaries for faculty who teach in the department.
- ***Academic Overhead Costs*** are composed of three expense types and are distributed on a per Student Credit Hour basis to each applicable meta-department. Overhead costs include:
  1. Any expenses outside of instruction and academic support that are booked directly to an academic department, such as equipment purchases made by a department.
  2. All unallocated College level expenses (e.g., expenses in the College of Arts & Sciences not directly tied to a Meta-Department, such as the salary for the Dean of the College)
  3. All expenses with the "Instruction" or "Academic Support" Program Code found within non-academic units, such as the Provost's office or the library (this will vary by institution depending on business practices)
- ***Indirect Costs*** are university-wide expenses and do not tie directly to a Meta-Department or College and are not Coded to 'Instruction' or "Academic Support' - these can also be described as Institutional Overhead. Indirect costs are applied to Meta-Departments on a per-credit hour basis and are scaled to reflect the proportion of expenses an Institution uses to support Instruction and Student Services.

Additional Assumptions

1. Universe of expenses included in the analysis focuses around non-federal Unrestricted and General Funds, as well as non Grant & Contract restricted funds, to enable the analysis to focus on the cost of program delivery across the UNC System at the Meta-Department level. **Funds included in the analysis include**, but are not limited to: General Fund, Overhead Receipts, Unrestricted Contracts, Restricted Departmental Use, Restricted Research, Non-C&G, Restricted Scholarships & Fellowships. **Funds excluded from the analysis include**, but are not limited to: Agency Funds, Auxiliary Funds, Contracts & Grants, Endowment Funds, Independent Operations, Plant Funds.
2. Expenses associated with the following Program Codes excluded from the analysis: Area Health Education Centers (AHEC), UNC Center for Public Television, Community Services, MCNC Contract, NC Arboretum, Cooperative Extension Service, Agricultural Research Service.
3. Registration activity for **cross listed courses** is captured within the meta-department the student registered, while Faculty members are only counted in their Home Deparment.
4. Student credit hours are reflective of enrollment as of census. Post-census enrollment activity is not captured in this analysis. This determination mainly impacts UNC-CH Business and the MBA program has significant post-census activity. Other institutions and programs may be impacted to a smaller degree.

Data Sources

Finance Data Mart (FDM) - No FDM financial data for UNC-CH is available for FY2019
Human Resources Data Mart (HRDM)
Student Data Mart (SDM)

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Institution Name: All UNC System Institutions

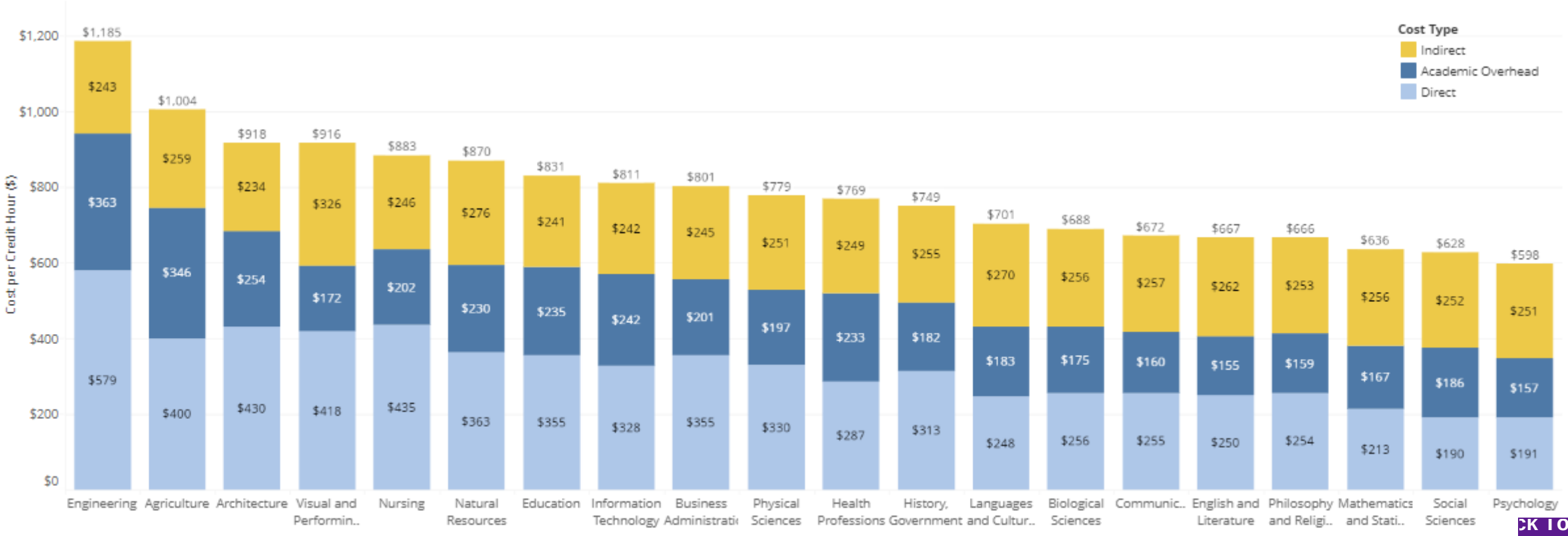
Academic Year: 2020-2021

All Summary Statistics

Faculty FTE	Total Credit Hours Produced	Annual Degrees Produced	Average Class Size
12,771	5,459,944	57,153	Graduate 14.6 Undergraduate 27.9

All Summary Visuals

Cost per Credit Hour Produced by Meta-Department



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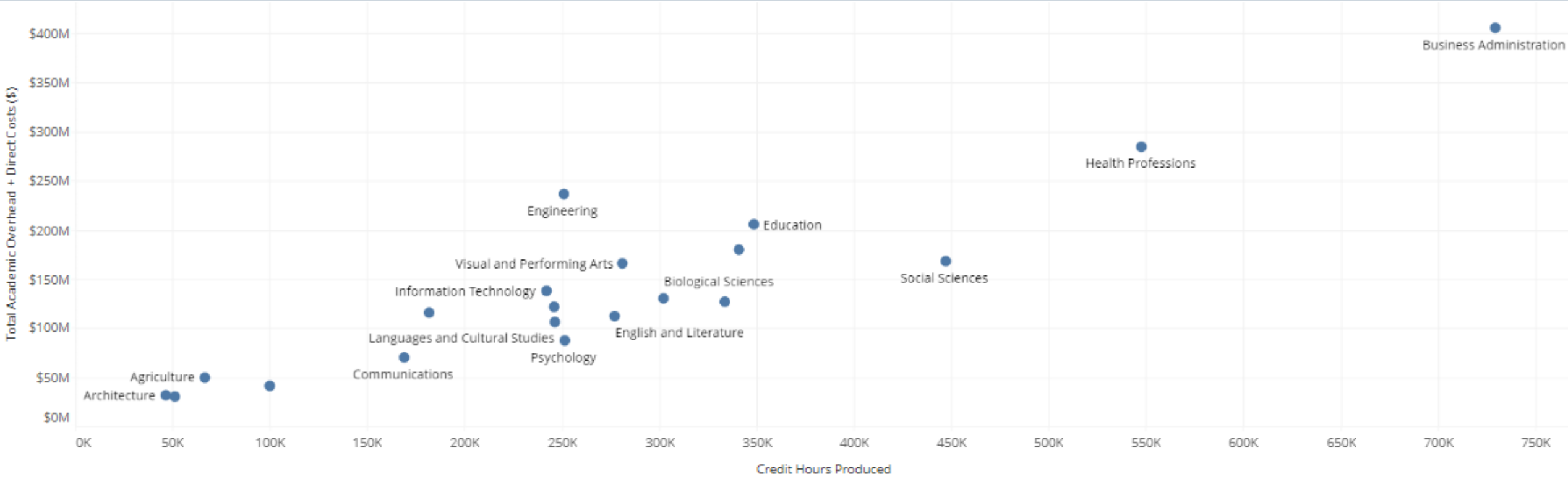
Institution Name

All UNC System Institutions

Academic Year

2020-2021

Total Academic Overhead + Direct Costs & Credit Hours Produced by Meta-Department



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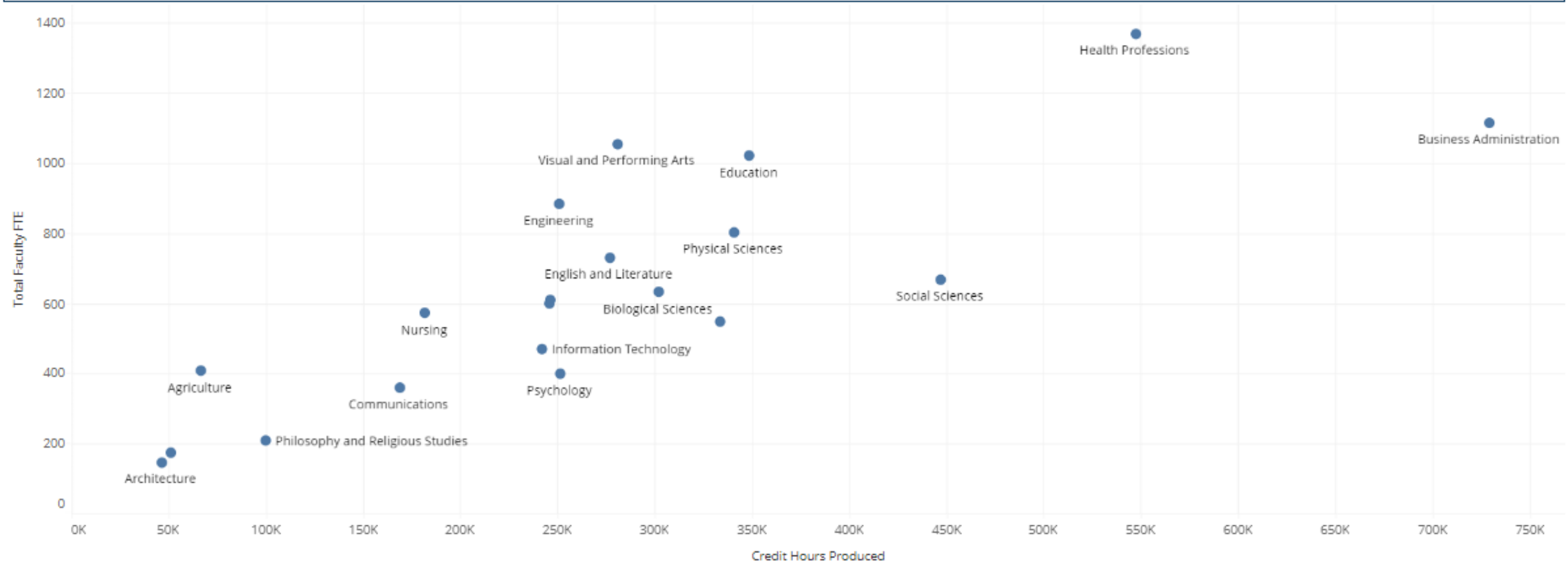
Institution Name: All UNC System Institutions

Academic Year: 2020-2021

Faculty FTE & Credit Hours Produced by Meta-Department



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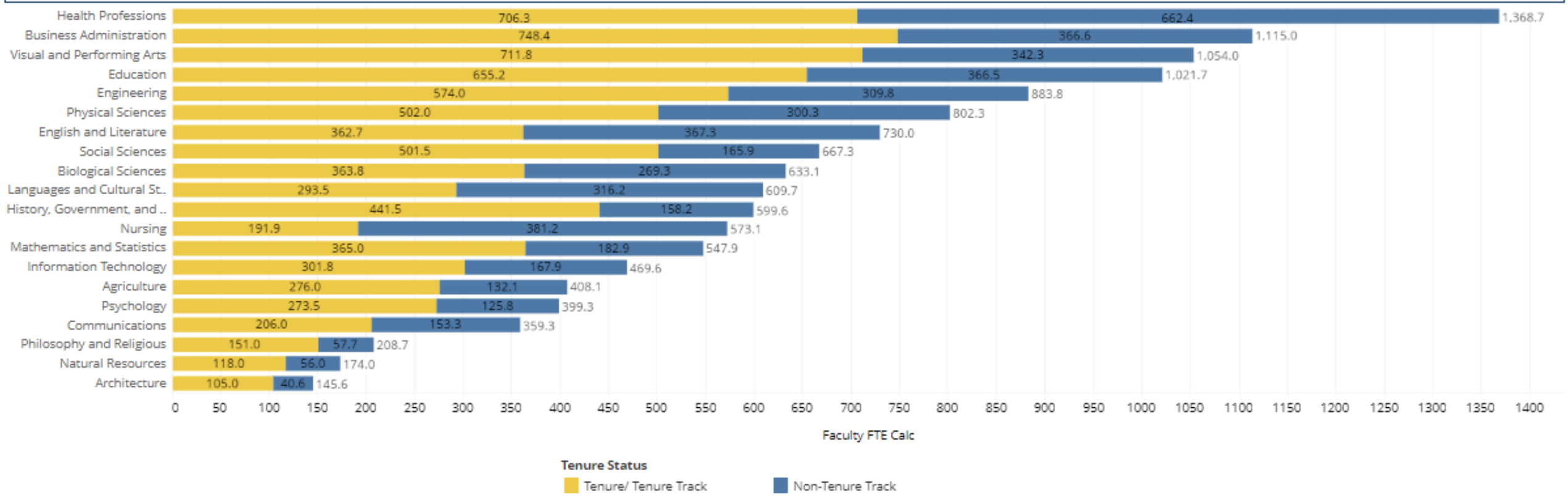
Institution Name: All UNC System Institutions

Academic Year: 2020-2021

All Number of Faculty & Staff Employed by Program

Faculty FTE by Meta-Department



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Institution Name: All UNC System Institutions

Academic Year: 2020-2021

	Non-Tenure Track		Tenure/ Tenure Track		Grand Total
	Not on a Tenure Track	Phased Retirement	Permanent Tenure	Not Tenured but on Tenure Track	
Agriculture	130	3	210	66	408
Architecture	39	2	74	31	146
Biological Sciences	266	4	272	92	633
Business Administration	356	11	529	219	1,115
Communications	150	3	158	48	359
Education	359	8	438	217	1,022
Engineering	303	7	411	163	884
English and Literature	360	8	301	62	730
Health Professions	649	13	453	254	1,369
History, Government, and ..	155	3	349	93	600
Information Technology	165	3	206	96	470
Languages and Cultural St..	315	1	236	58	610
Mathematics and Statistics	180	3	275	90	548
Natural Resources	54	2	78	40	174
Nursing	379	2	87	105	573
Philosophy and Religious ..	56	2	124	27	209
Physical Sciences	295	6	391	111	802
Psychology	124	2	213	61	399
Social Sciences	162	4	350	151	667
Visual and Performing Arts	340	3	575	137	1,054
Grand Total	4,839	84	5,729	2,120	12,771

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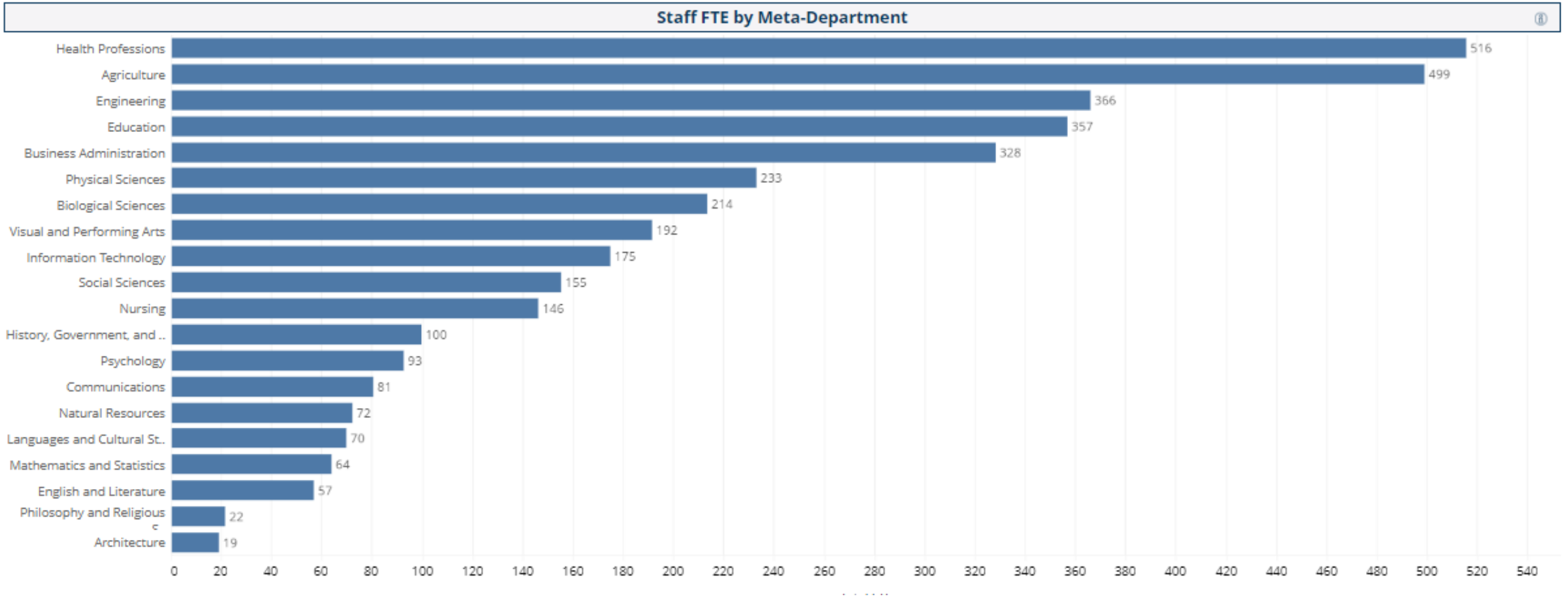
Institution Name

All UNC System Institutions

Academic Year

2020-2021



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Institution Name: All UNC System Institutions

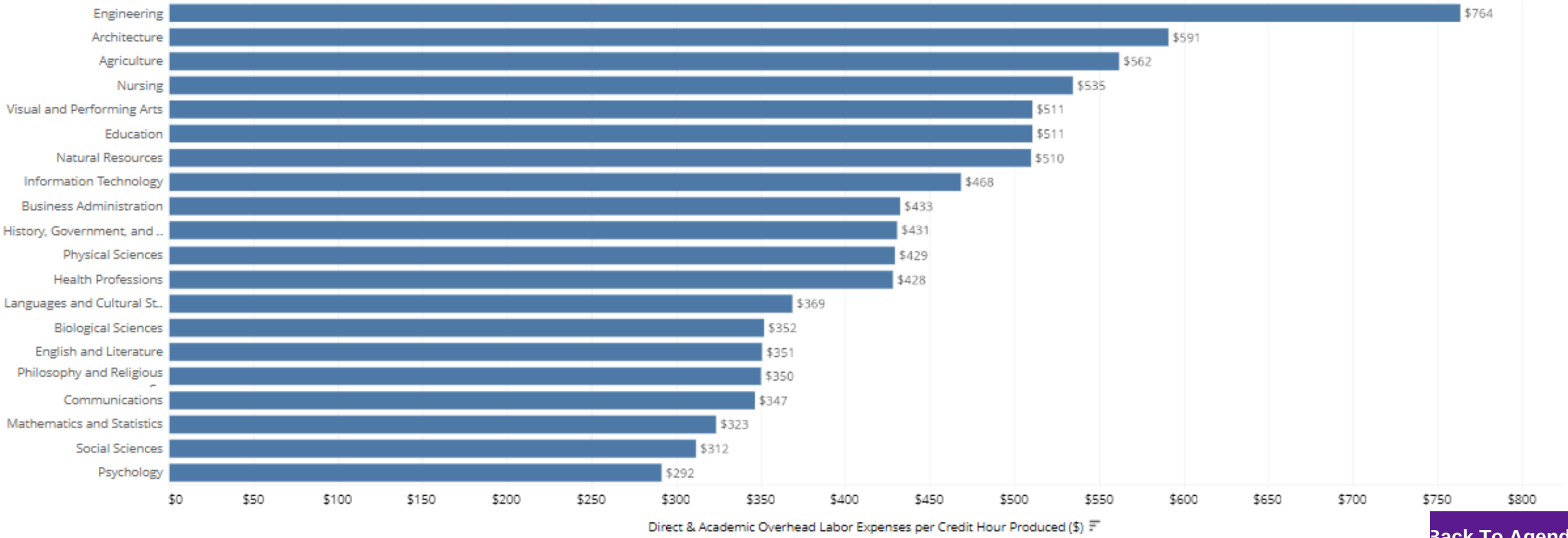
Academic Year: 2020-2021

All Operating Costs by Program

Direct & Academic Overhead Labor Expenses per Credit Hour Produced by Meta-Department

Total to per SCH Toggle

Direct & Academic Overhead Labor Expenses per Credit Hour Produced by Meta-Department



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Institution Name: All UNC System Institutions

Academic Year: 2020-2021

Cost Table Toggle (for Direct Costs, Academic Overhead, & Indirect Costs Table below)

per SCH

Direct Costs, Academic Overhead, & Indirect Costs by Meta-Department

Meta Dept	Direct	Academic Overhead	Indirect	Grand Total
Agriculture	$400	$346	$259	$1,004
Architecture	$430	$254	$234	$918
Biological Sciences	$256	$175	$256	$688
Business Administration	$355	$201	$245	$801
Communications	$255	$160	$257	$672
Education	$355	$235	$241	$831
Engineering	$579	$363	$243	$1,185
English and Literature	$250	$155	$262	$667
Health Professions	$287	$233	$249	$769
History, Government, and ..	$313	$182	$255	$749
Information Technology	$328	$242	$242	$811
Languages and Cultural St..	$248	$183	$270	$701
Mathematics and Statistics	$213	$167	$256	$636
Natural Resources	$363	$230	$276	$870
Nursing	$435	$202	$246	$883
Philosophy and Religious ..	$254	$159	$253	$666
Physical Sciences	$330	$197	$251	$779
Psychology	$191	$157	$251	$598
Social Sciences	$190	$186	$252	$628
Visual and Performing Arts	$418	$172	$326	$916
Overall Average	$311	$204	$255	$769

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Institution Name: All UNC System Institutions

Academic Year: 2020-2021

Cost by Expense Type Toggle (for Labor & Non-Labor Expense table below)

per SCH

Labor & Non-Labor Expenses by Meta-Department

Meta Dept	Labor Expenses		Non-Labor Expenses						Transfers Out	Grand Total
	Salaries and Wages	Staff Benefits	Plant, Property, & Equipment	Scholarships & Fellowships	Services	Supplies & Materials	Utilities	Other Non-Labor	Inter-Institutional Transfers Out	
Agriculture	$516	$163	$48	$68	$111	$61	$16	$14	$8	$1,004
Architecture	$537	$164	$25	$68	$64	$32	$17	$7	$4	$918
Biological Sciences	$363	$110	$33	$61	$67	$24	$19	$6	$4	$688
Business Administration	$429	$121	$28	$72	$111	$14	$17	$5	$3	$801
Communications	$355	$110	$29	$72	$62	$17	$21	$4	$3	$672
Education	$479	$150	$30	$55	$75	$20	$17	$4	$2	$831
Engineering	$686	$192	$45	$66	$97	$63	$17	$12	$7	$1,185
English and Literature	$361	$112	$28	$64	$59	$15	$19	$5	$4	$667
Health Professions	$420	$128	$37	$63	$77	$19	$19	$3	$2	$769
History, Government, and ..	$419	$128	$26	$63	$66	$14	$19	$7	$7	$749
Information Technology	$452	$130	$33	$64	$79	$22	$20	$5	$5	$811
Languages and Cultural St..	$370	$118	$25	$73	$64	$15	$24	$6	$6	$701
Mathematics and Statistics	$340	$102	$26	$62	$58	$17	$19	$7	$5	$636
Natural Resources	$488	$147	$28	$83	$74	$25	$20	$4	$2	$870
Nursing	$498	$155	$43	$56	$83	$20	$18	$4	$4	$883
Philosophy and Religious ..	$356	$111	$26	$73	$59	$15	$21	$4	$1	$666
Physical Sciences	$422	$123	$39	$66	$69	$30	$20	$7	$4	$779
Psychology	$315	$94	$27	$61	$59	$14	$19	$4	$4	$598
Social Sciences	$329	$102	$29	$63	$63	$14	$21	$4	$3	$628
Visual and Performing Arts	$514	$161	$37	$74	$79	$22	$22	$4	$2	$916
Overall Average	$420	$126	$32	$65	$76	$21	$19	$5	$4	$769

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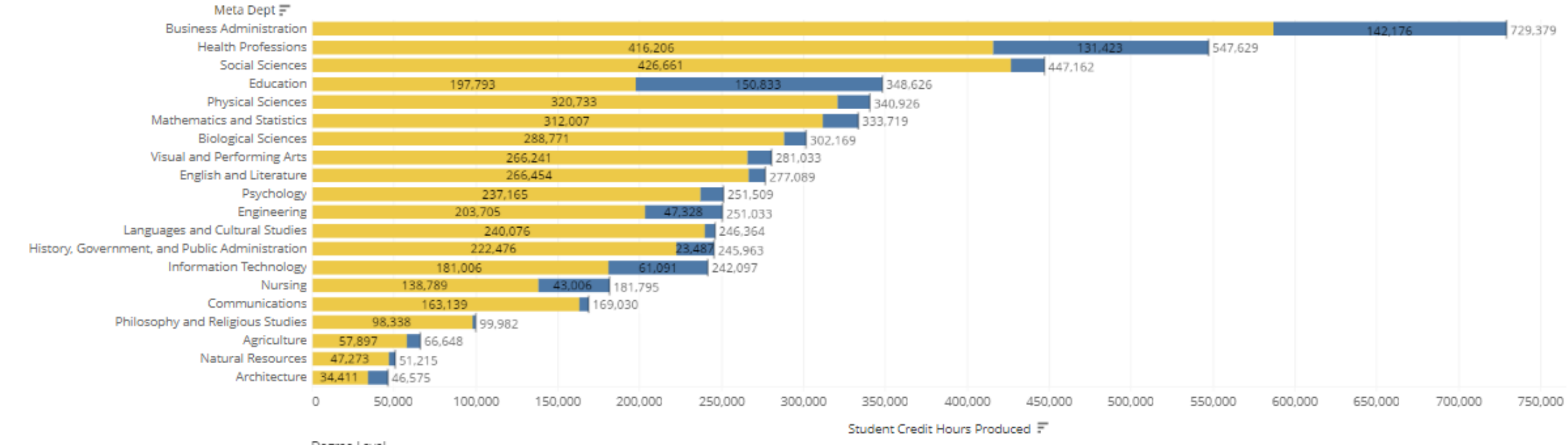
Institution Name: All UNC System Institutions

Academic Year: 2020-2021

All Student Credit Hours and Degrees Produced

Student Credit Hours Produced by Meta-Department



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Institution Name: All UNC System Institutions

Academic Year: 2020-2021

Meta Dept	Total Student Credit Hours Produced	Faculty FTE	Student Credit Hours Produced per Faculty FTE
Agriculture	66,648	408	163
Architecture	46,575	146	320
Biological Sciences	302,169	633	477
Business Administration	729,379	1,115	654
Communications	169,030	359	470
Education	348,626	1,022	341
Engineering	251,033	884	284
English and Literature	277,089	730	380
Health Professions	547,629	1,369	400
History, Government, and ..	245,963	600	410
Information Technology	242,097	470	516
Languages and Cultural St..	246,364	610	404
Mathematics and Statistics	333,719	548	609
Natural Resources	51,215	174	294
Nursing	181,795	573	317
Philosophy and Religious ..	99,982	209	479
Physical Sciences	340,926	802	425
Psychology	251,509	399	630
Social Sciences	447,162	667	670
Visual and Performing Arts	281,033	1,054	267
Grand Total	5,459,944	12,771	428

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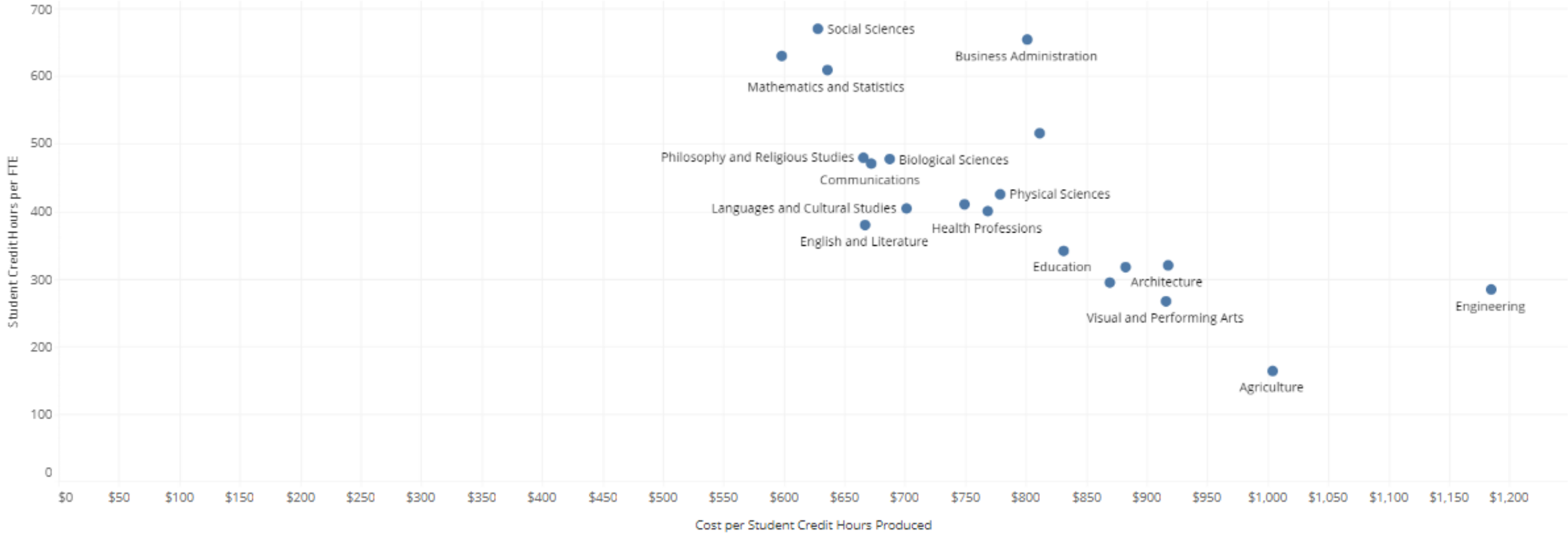
Institution Name

All UNC System Institutions

Academic Year

2020-2021

Student Credit Hour Cost & Faculty FTE Student Credit Production by Meta-Department



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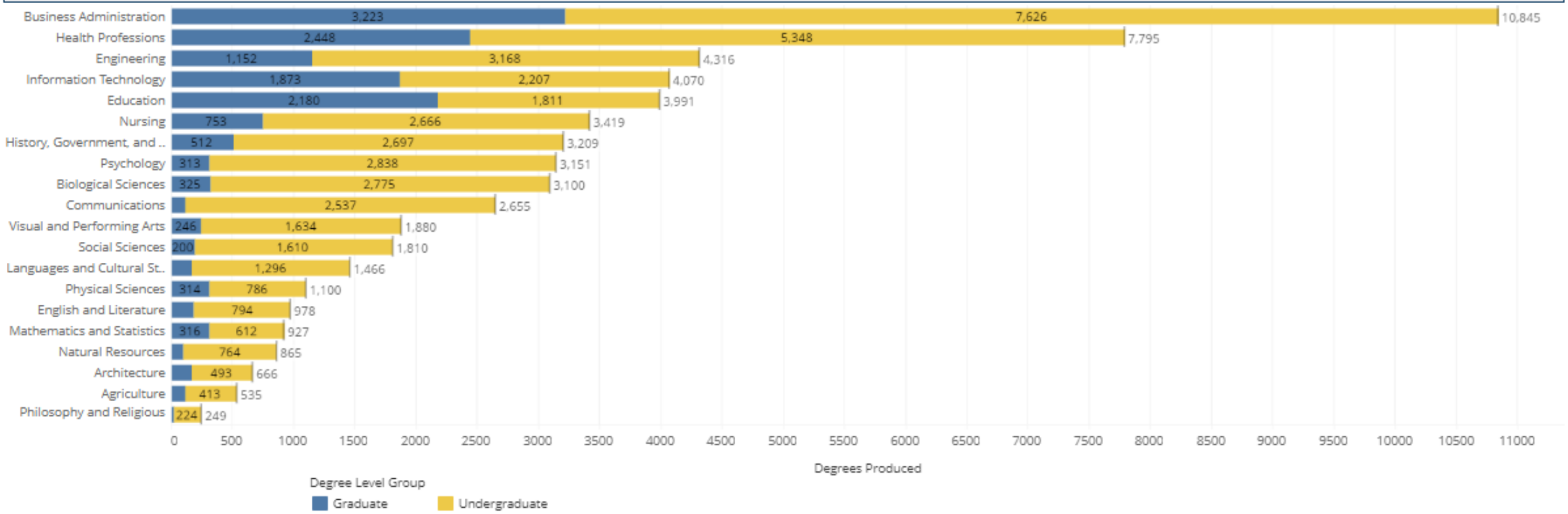
Institution Name: All UNC System Institutions

Academic Year: 2020-2021

Degrees Produced by Meta-Department



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Institution Name: All UNC System Institutions

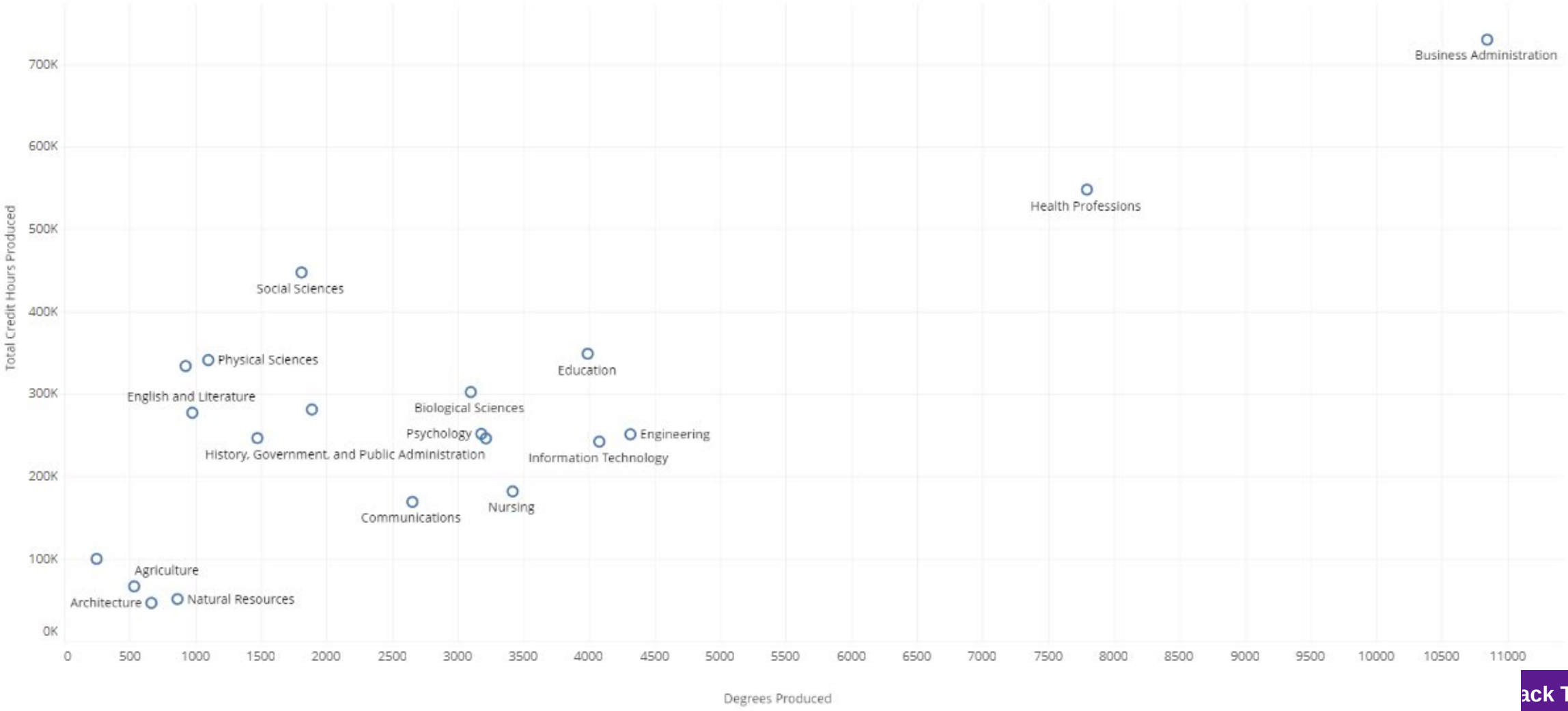
Academic Year: 2020-2021

Academic Production - Build Your Own Chart

Table Selection 1: Degrees Completers

Table Selection 2: Total Student Credit Ho...

Degree Level: (All)



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UNC State ROI Dashboard

11/20/2023 | v3

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Overview and Instructions

This page provides context and instruction for the UNC System Dashboard.

Dashboard Summary

This dashboard provides a high-level overview of ROI for the state by looking at the incremental gain in lifetime earnings for the student for each incremental dollar invested by the state. This additional spending power might equate to additional tax, welfare, and other gains for the state. The dashboard also provides key contextual information on key industry trends, state migration, and high demand occupations. This dashboard is part of a three-dashboard series that includes Institutional Context, Student ROI, and State ROI dashboards.

Dashboard Components

1. Summary:

Provides an overview of the alignment of graduates with current and forecasted industry employment demand

2. Government Investment:

Provides a breakdown of the state of North Carolina's investment in each Institution through Appropriations and Financial Aid Grants

3. Instructional ROI:

Provides a summary of average incremental lifetime earnings of students for every state appropriation dollar invested, as well as information about state migration and high demand occupations

Assumptions & Methodology

Scope of Analysis

Following 16 UNC System institutions are in-scope for this analysis:

1. Appalachian State University
2. East Carolina University
3. Elizabeth City State University
4. Fayetteville State University
5. North Carolina A&T State University
6. North Carolina Central University
7. North Carolina State University
8. University of North Carolina at Asheville
9. University of North Carolina at Chapel Hill
10. University of North Carolina at Charlotte
11. University of North Carolina at Greensboro
12. University of North Carolina at Pembroke
13. University of North Carolina School of the Arts
14. University of North Carolina Wilmington
15. Western Carolina University
16. Winston-Salem State University

Note that UNC affiliates (e.g., UNC Health, PBS North Carolina, The North Carolina Arboretum, The University of North Carolina Press, The North Carolina State Education Assistance Authority) as well as UNC high schools and students (e.g., North Carolina School of Science and Mathematics) are out of scope for this analysis.

Additionally, Associate Degrees, Certificates, and the following terminal graduate degrees have been excluded from the analysis: Dentistry, Medical, Veterinary, Pharmacy, Law.

Assumptions & Methodology:

1. State Appropriation are amounts received by the institution through acts of a state legislative body, except grants and contracts and capital appropriations. Funds reported in this category are for meeting current operating expenses, not for specific projects or programs. These funds do not include any additional COVID-related funding.
2. Job Demand: LinkedIn job posting data is utilized and demand is characterized by whether or not the job requires a Bachelor's degree. Projected demand utilizes UNC statewide employment projections for each field of study. To determine the projected demand for workers with a Bachelor's, the UNC statewide employment estimate is multiplied by the proportion of workers within a field of study required to have a Bachelor's. The percent of jobs within each field of study requiring a Bachelor's is determined by using federal statistics (ONET data).
3. Incremental cost per graduate was determined using the state incremental SCH funding formula. Undergraduate students were assumed to complete 33% of institutional credits across departments to fulfill general education requirements. These credits were assessed at a rate using a weighted per credit average cost across all fields of study per institution. 66% of undergraduate credits were assessed at the rate tied to the student's field of study. 100% of credits for graduate students were assumed at the rate of their field of study.
4. Due to Job postings behavior within Educational occupations, there is a lack of data through traditional posting sites leading to significant underreporting of the demand within the group. Due to this data limitati..

Data Sources:

Dept. of Commerce Wage Data
LinkedIn Job Posting Data
UNC System Historical State Appropriation Funding Data
ONET Data
UNC Student Data Mart (SDM)
UNC Statewide Employment Estimate
IPEDS

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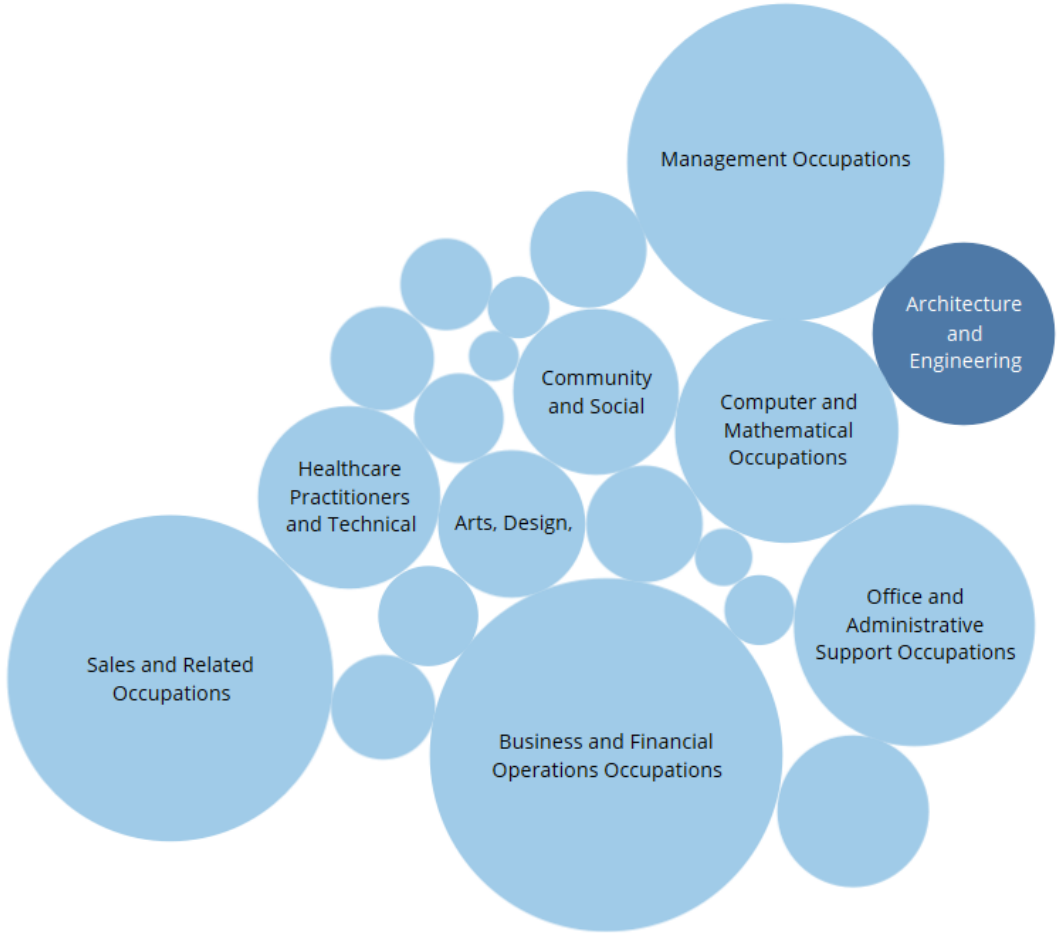
State and UNC System Alignment with Industry Demand

2020 Occupational Group Share in North Carolina

Employment vs. Postings Share
Employment Share



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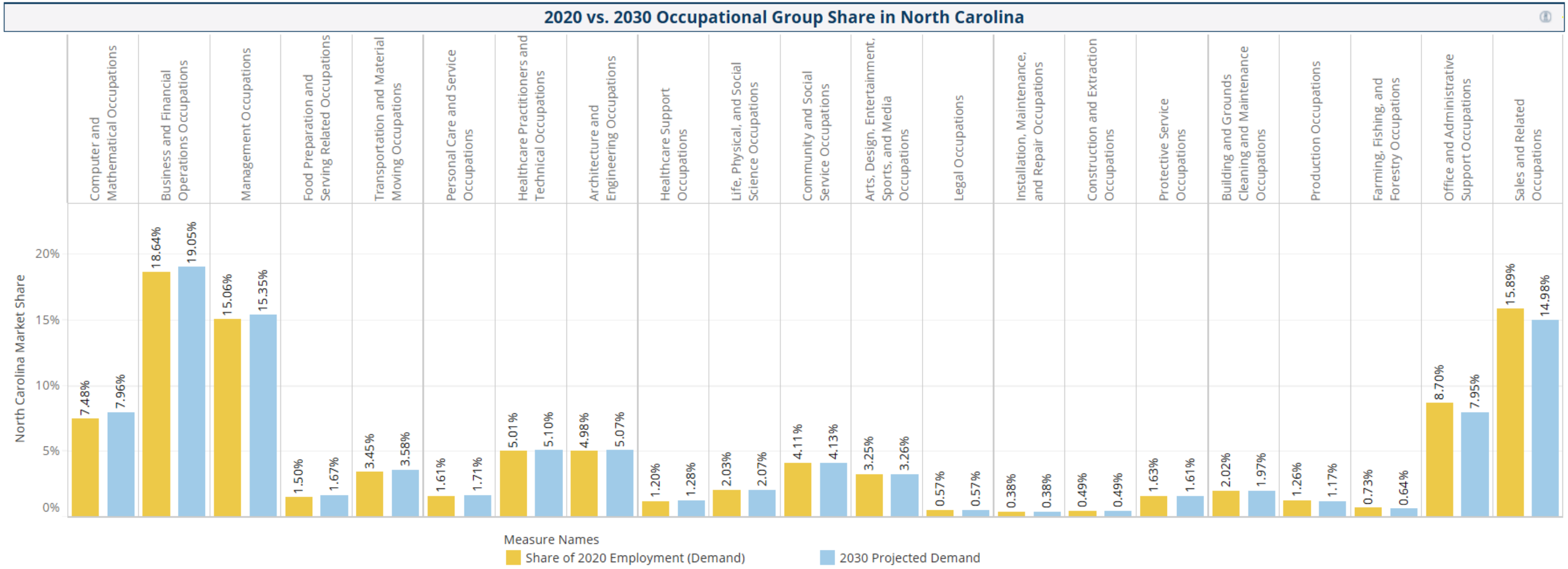

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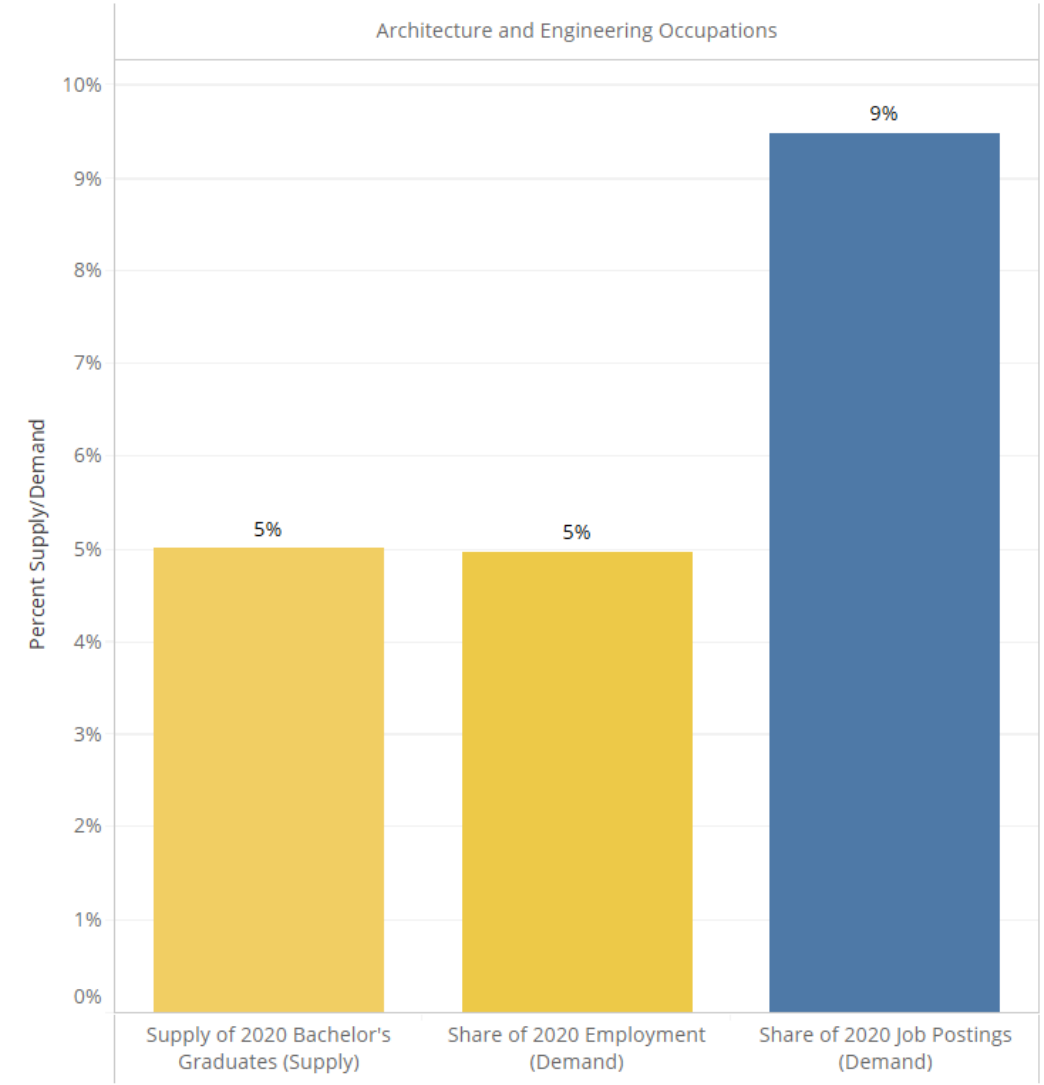
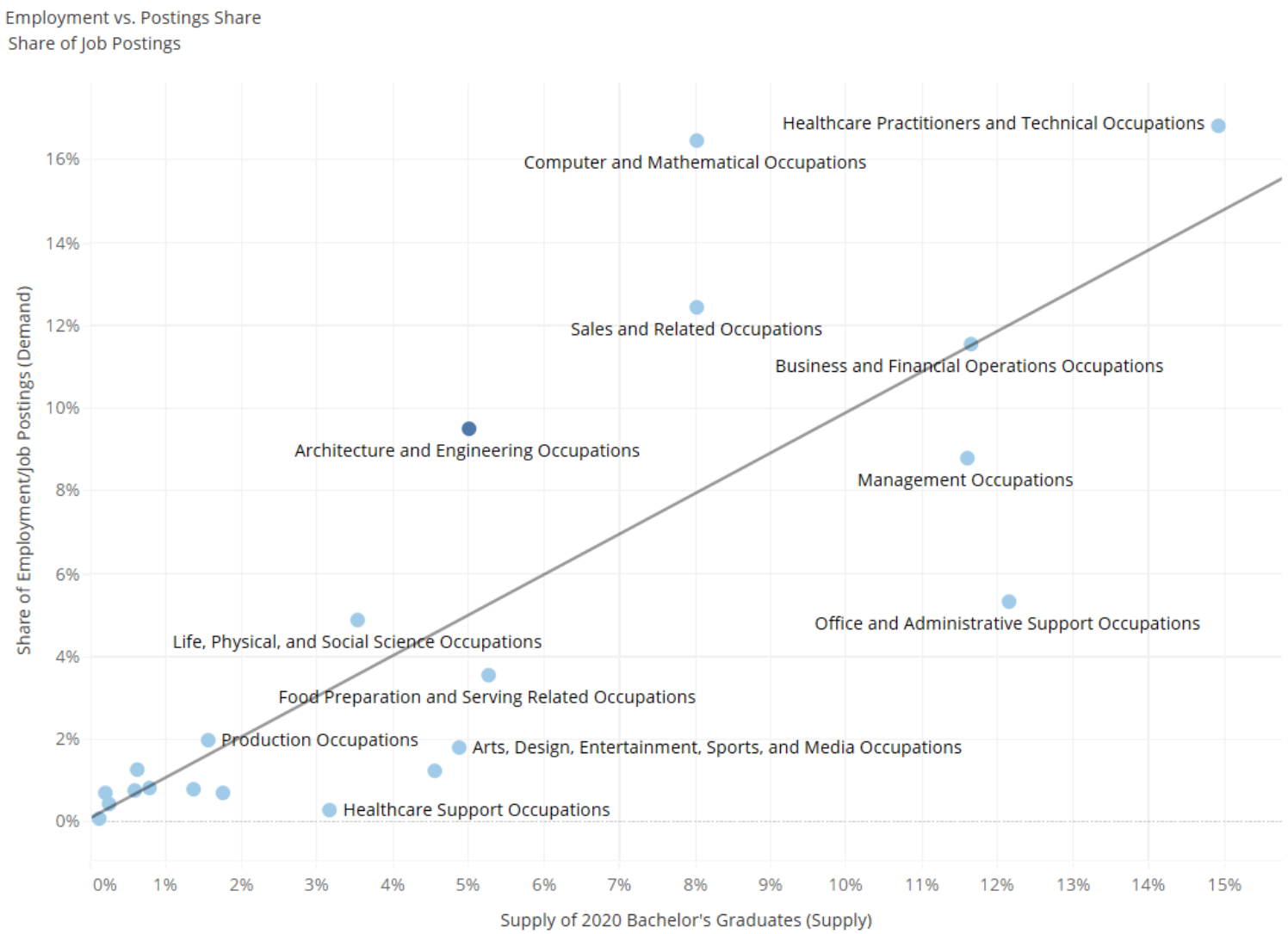
Supply of UNC Bachelor's Graduates vs. North Carolina Employment Demand by Occupational Group





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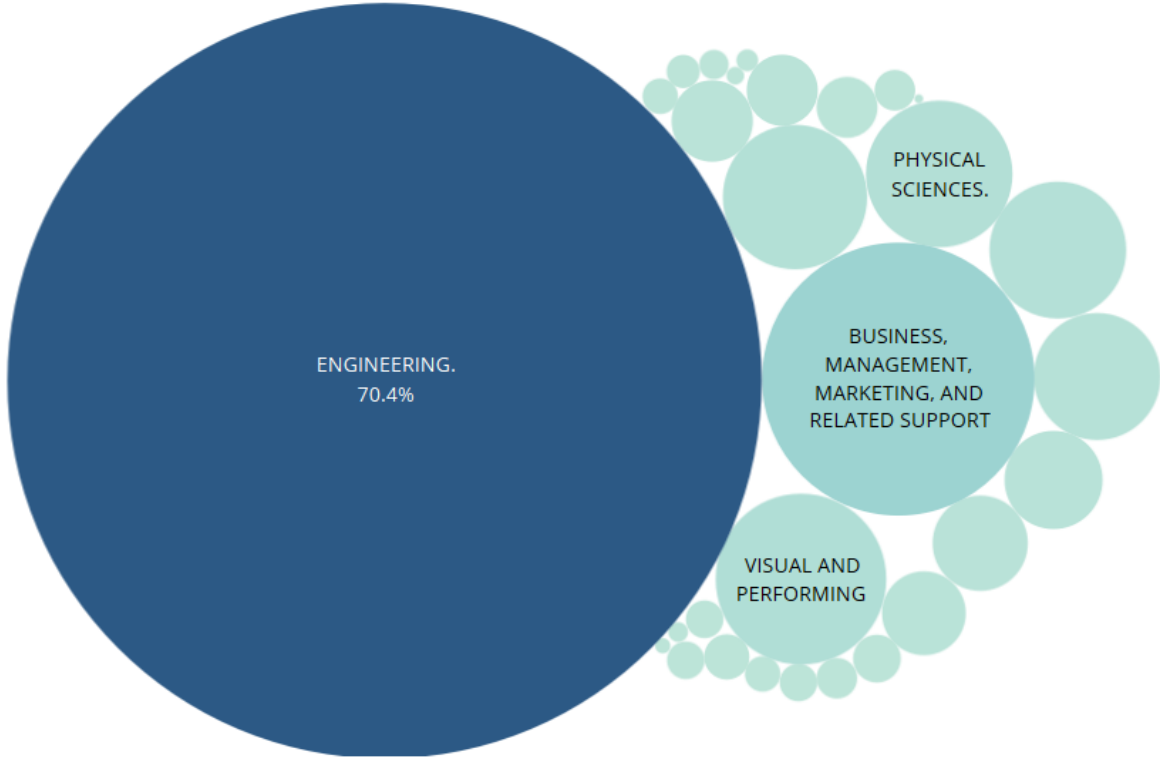
UNC Graduate Field of Study within Occupational Area

Years After Completion
1 Year



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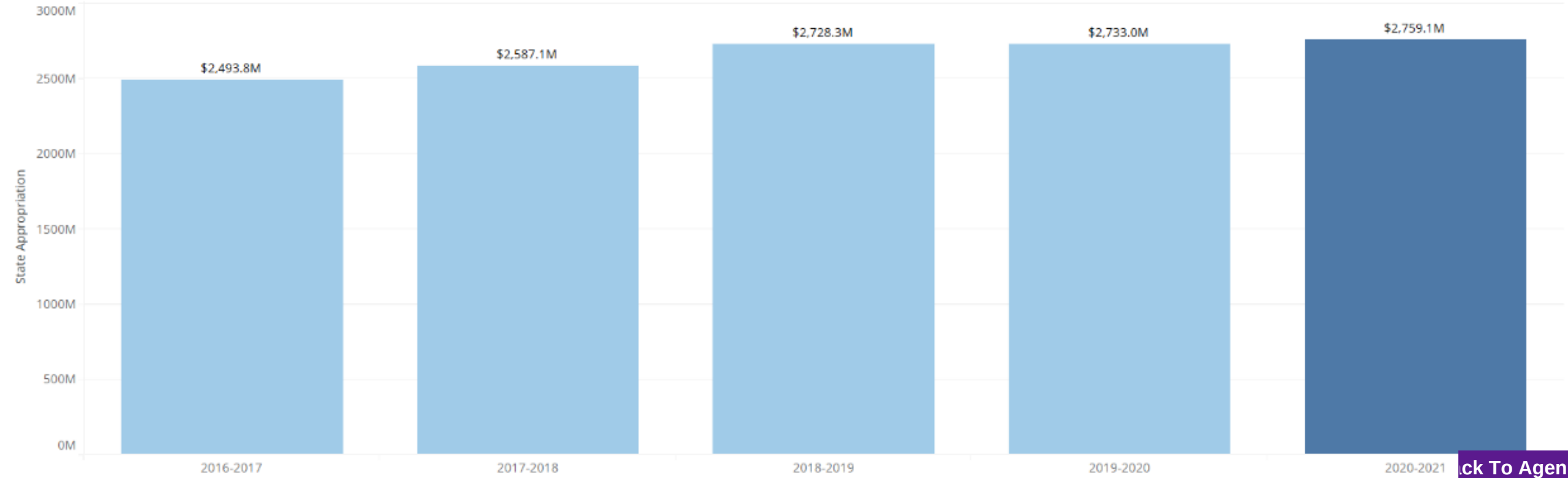
Institution Name
All UNC System Institutions

Academic Year
2020-2021

All State Appropriations

State Appropriations Investment	Share of Total UNC System State Appropriations	Share of Total UNC System Graduates
$2,759,129,639	100.0%	100.0%

State Appropriations



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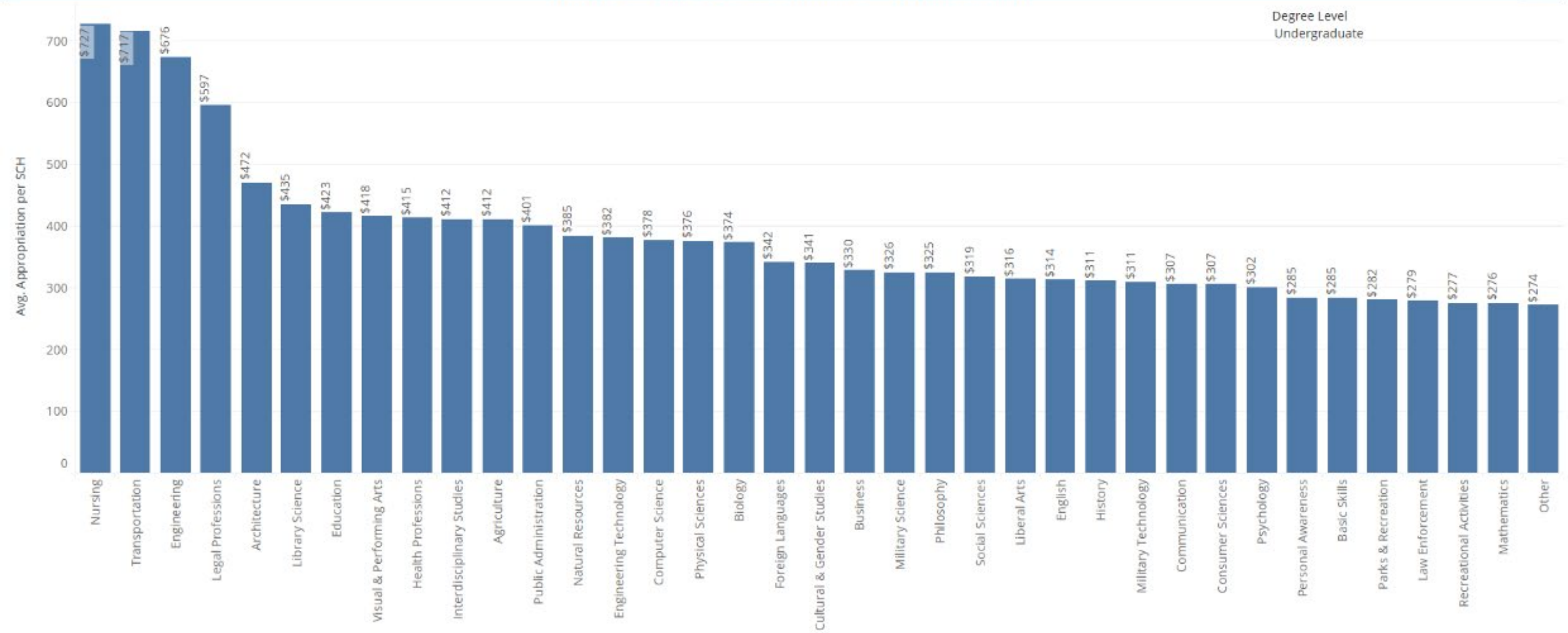
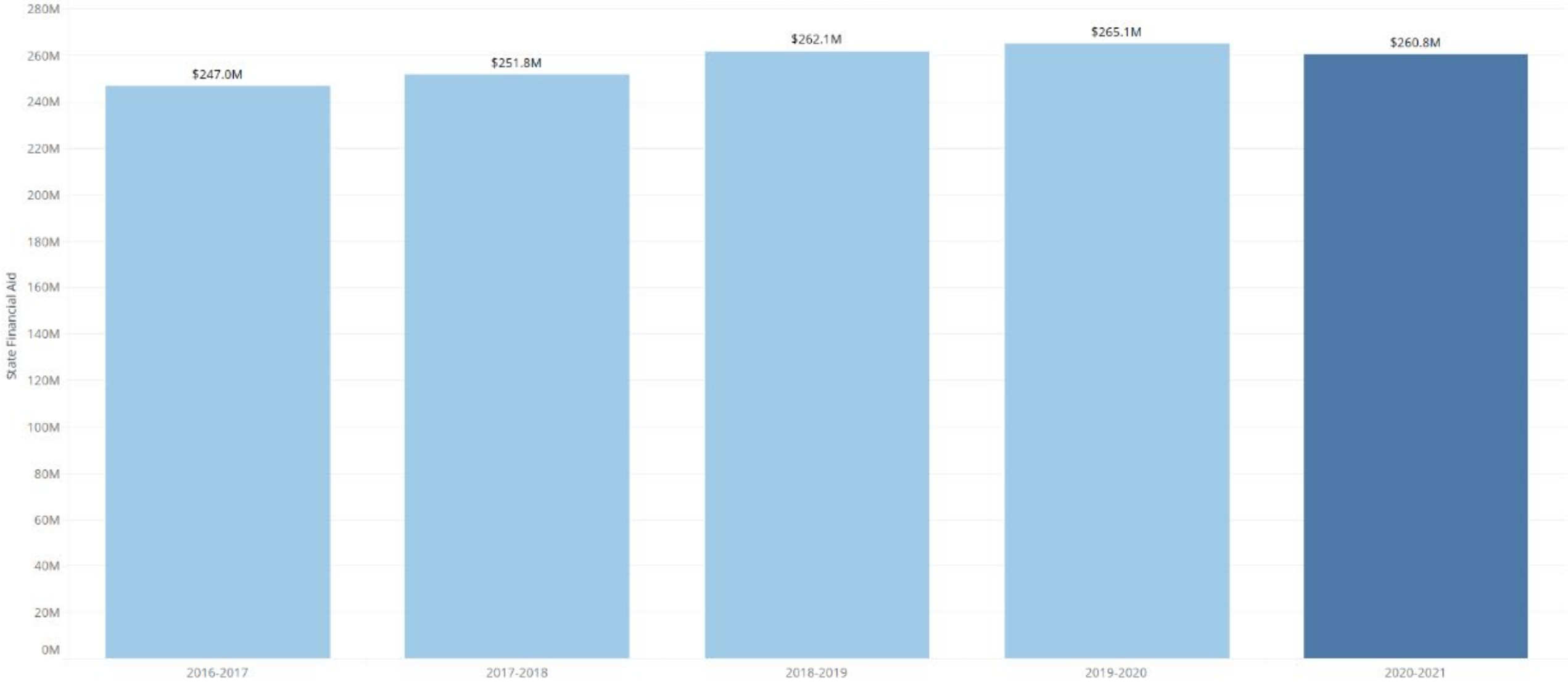
State Appropriation per Incremental Student Credit Hour



State Aid Investment



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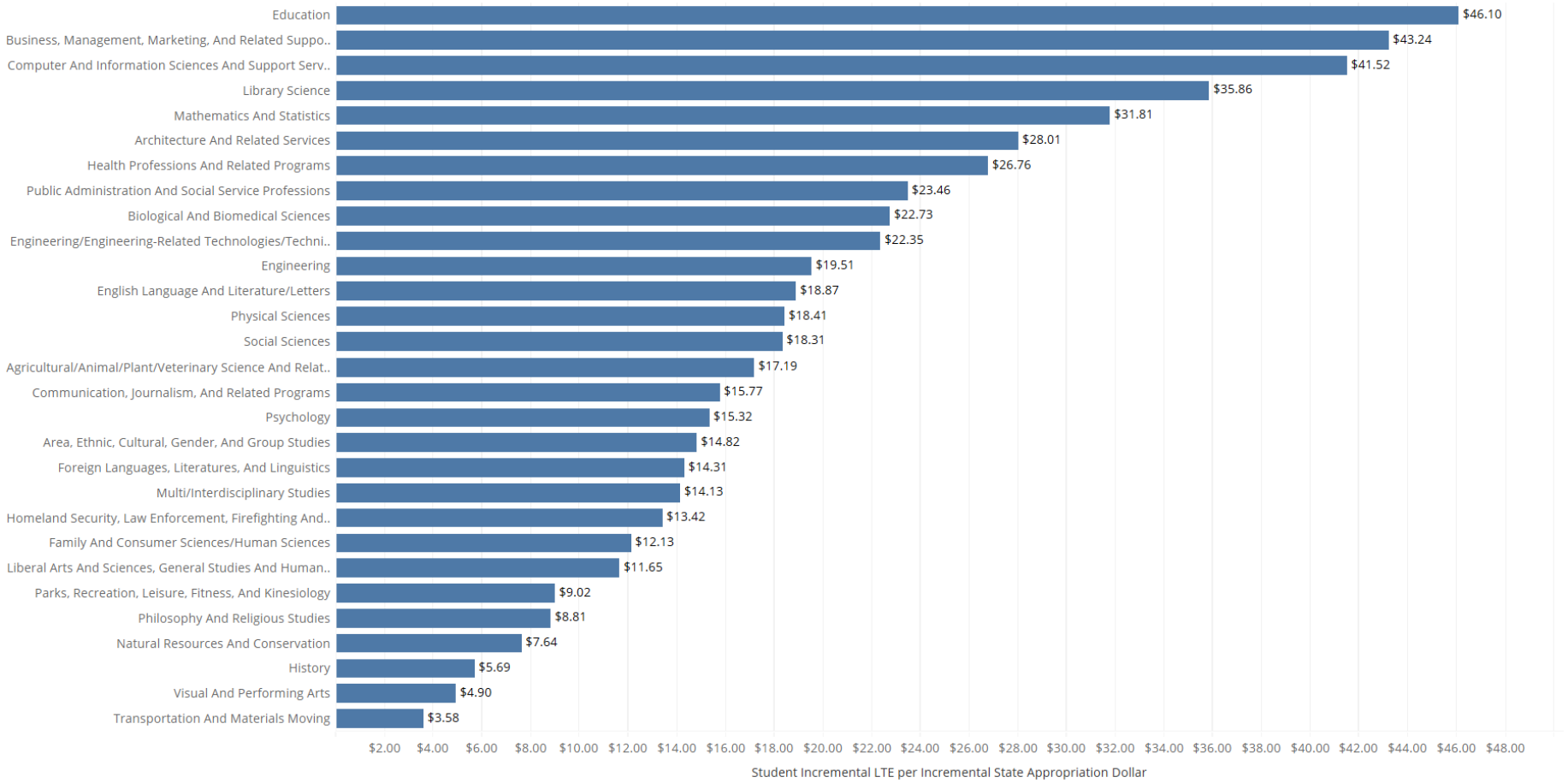
Institution Name	Academic Year	Counterfactual Selection
All UNC System Institutions	2020-2021	ACS Comparison

All State Return on Investment

Median Incremental Lifetime Earnings to the Student		Median Incremental Cost per Graduate to the State		Incremental LTE per Incremental State Dollar
$809,616	÷	$35,088	=	$23.07

All Student Incremental Lifetime Earnings per Incremental State Appropriation Dollar



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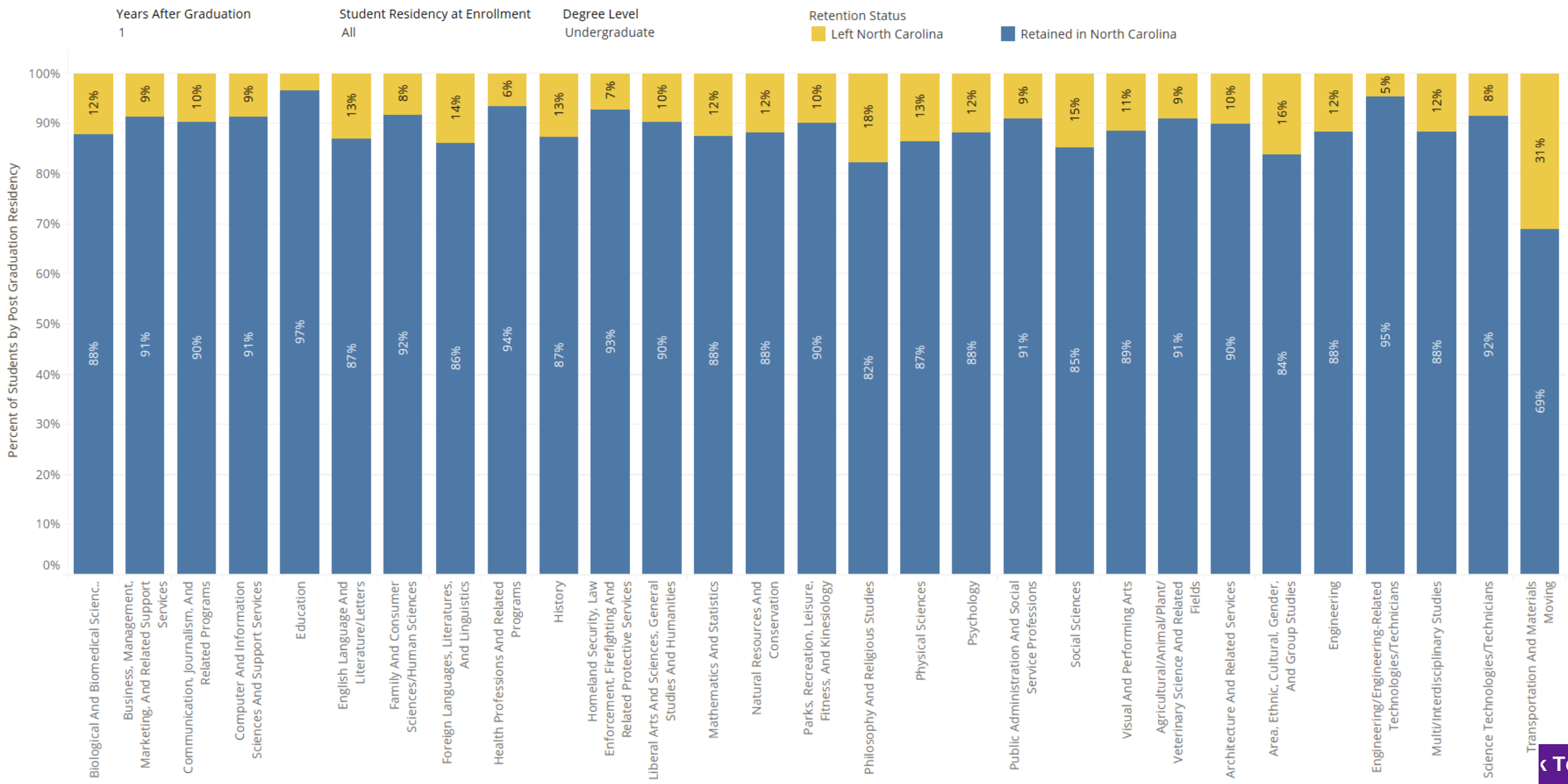
All State Migration



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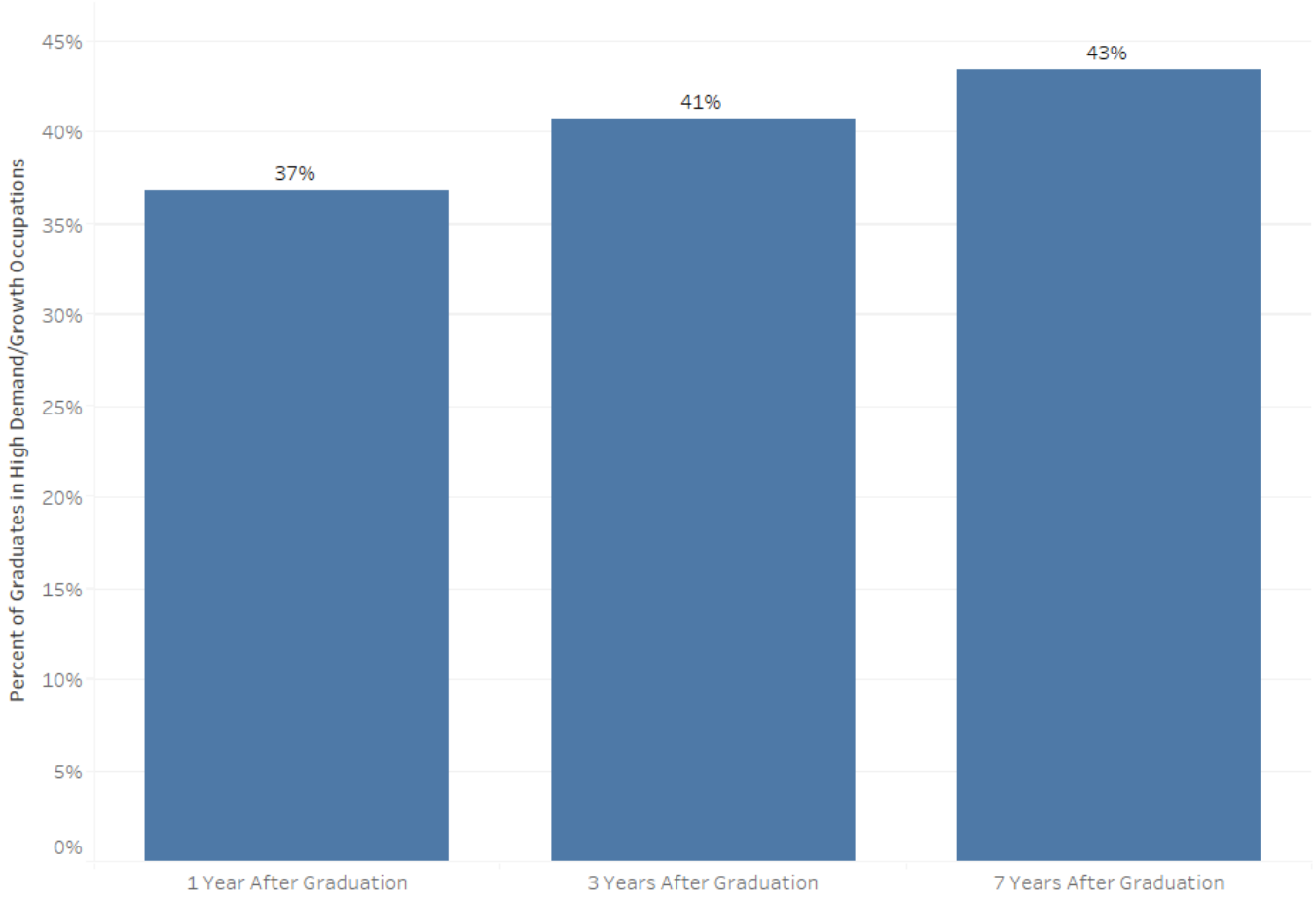
Share of Graduates in High Demand/Growth Occupations



High Demand/Growth Occupation List

Accountants and Auditors
Aerospace Engineers
Agents and Business Managers of Artists, Performers, and Athletes
Architects, Except Landscape and Naval
Athletic Trainers
Bioengineers and Biomedical Engineers
Buyers and Purchasing Agents
Career/Technical Education Teachers, Postsecondary
Chemical Engineers
Child, Family, and School Social Workers
Civil Engineers
Clergy
Clinical Laboratory Technologists and Technicians
Coaches and Scouts
Compensation, Benefits, and Job Analysis Specialists
Compliance Officers
Computer and Information Systems Managers
Computer Occupations, All Other
Computer Systems Analysts
Construction Managers
Cost Estimators
Credit Counselors
Data Scientists and Mathematical Science Occupations, All Other
Diagnostic Medical Sonographers
Educational Instruction and Library Workers, All Other
Electrical and Electronics Drafters
Electrical Engineers
Elementary School Teachers, Except Special Education
Film and Video Editors
Financial and Investment Analysts, Financial Risk Specialists, and Financial Specialists, All Other
Financial Examiners
Financial Managers
Forensic Science Technicians
General and Operations Managers
Geoscientists, Except Hydrologists and Geographers
Graphic Designers
Human Resources Specialists

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UNC Student ROI Dashboard

11/20/2023| v3

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Overview and Instructions

This page provides context and instruction for the UNC System Dashboard.

Dashboard Summary

This dashboard provides a detailed correlation between degree of study and career roles including information on expected lifetime career earnings, income bands and economic mobility, graduate degree attainment, and career fields based on the program of study, as defined by CIP code. This dashboard is part of a three-dashboard series that includes Institutional Context, Student ROI, and State ROI dashboards.

Dashboard Components

1. Summary:

Provides an overview of the number of students in each program, the composition of the student body, and key student success metrics

2. Investment:

Provides a breakdown of the student price to complete a degree, outlining the investment required from a student after considering financial aid and other discounts

3. Return:

Provides a detailed correlation between degree of study and career roles including information on expected lifetime career earnings, career field, and graduate degree attainment

4. ROI:

Provides a summary of average lifetime ROI, economic mobility ,and breakeven for student funding expenditures

Assumptions & Methodology

Scope of Analysis

The following 16 UNC System institutions are in-scope for this analysis:

1. Appalachian State University
2. East Carolina University
3. Elizabeth City State University
4. Fayetteville State University
5. North Carolina A&T State University
6. North Carolina Central University
7. North Carolina State University
8. University of North Carolina at Asheville
9. University of North Carolina at Chapel Hill
10. University of North Carolina at Charlotte
11. University of North Carolina at Greensboro
12. University of North Carolina at Pembroke
13. University of North Carolina School of the Arts
14. University of North Carolina Wilmington
15. Western Carolina University
16. Winston-Salem State University

Note that UNC affiliates (e.g., UNC Health, PBS North Carolina, The North Carolina Arboretum, The University of North Carolina Press, The North Carolina State Education Assistance Authority) as well as UNC high schools and students (e.g., North Carolina School of Science and Mathematics) are out of scope for this analysis.

Additionally, Associate Degrees, Certificates, and the following terminal graduate degrees have been excluded from the analysis: Dentistry, Medical, Veterinary, Pharmacy, Law.

Assumptions & Methodology

1. Program is defined by CIP code. Level I Field of Study reflects the 2 Digit CIP code while Level II reflects the 6 Digit CIP code within the selected Level I.
2. Academic year 2020-2021 is not included in the Student Dashboard. This year was in-progress when the data was received for the analysis and partial year data skewed the output.
3. In order to project Lifetime Earnings, a person's average wage rank within their demographic and educational group is constant over time.
4. We assume that people who drop out of our sample (perhaps because they leave the state or started self-employment) have expected earnings based on their demographic and educational group and past earnings. Similarly, we expect future wage profiles to have similar trajectories to past wage profiles.
5. Any record with no wage observations is dropped from the analysis.

Data Sources:

North Carolina Dept. of Commerce Wage Data
North Carolina Dept. of Commerce County Distress Tier Rankings
BGI Social Profile & Job Posting Data
UNC Student Data Mart (SDM)
UNC Bachelors Completers File
UNC Graduate Completers File

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Dashboard Data Filters

The following filters allow users to select various attributes of the population to further segment the data.

Note, selecting a filter is not required but doing so will dynamically update the graphics below. For example, selecting a *'Level 1 Field of Study'* will filter the charts to display more granular detail, the *'Level 2 Fields of Study'*, associated with the selected group.

Level 1 Field of Study
(All)

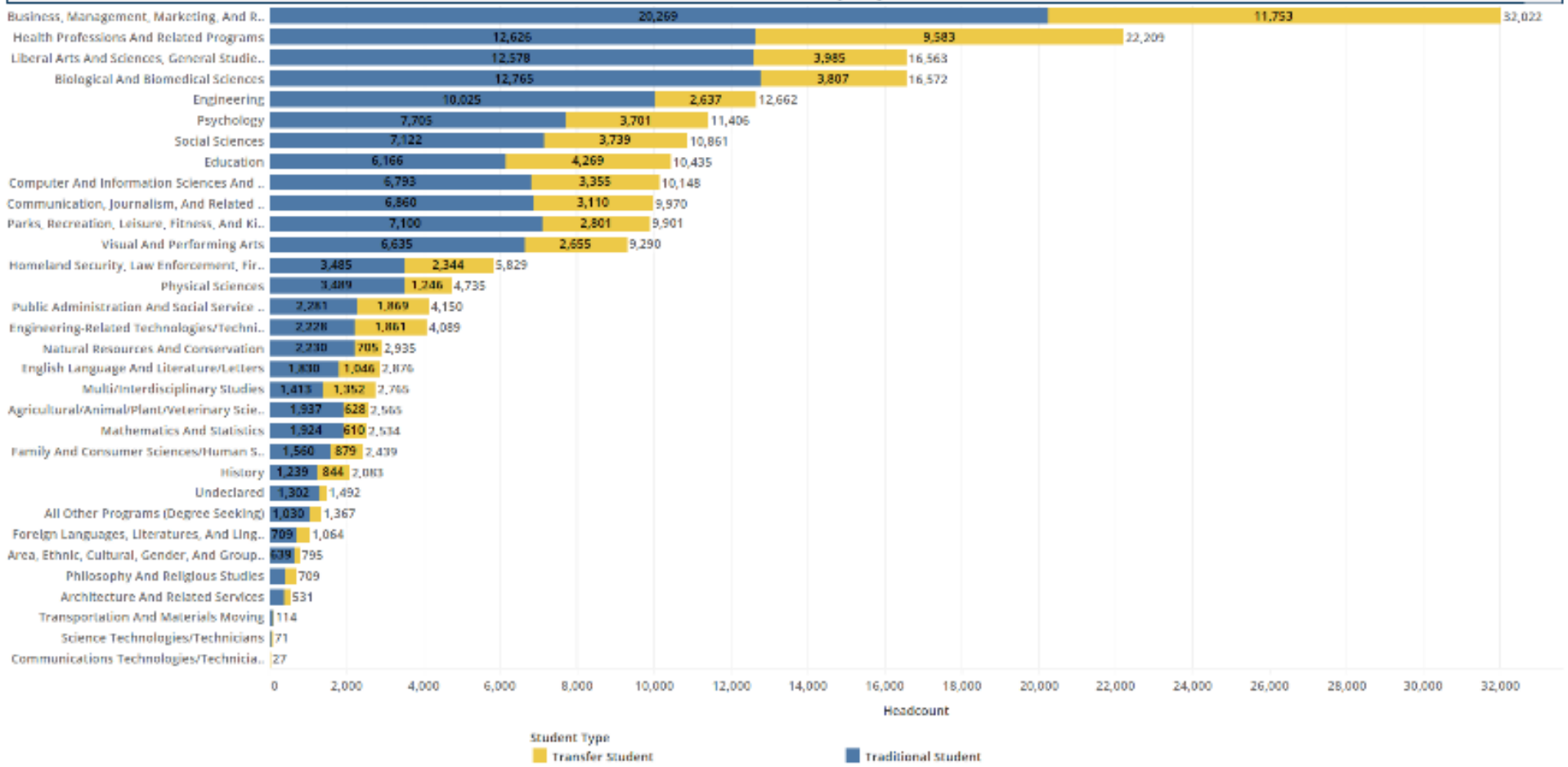
Residency
(All)

Degree Level
Undergraduate

Student Type
All Undergraduate

All Institutions Number & Composition of Students by Program

Count of Students by Major



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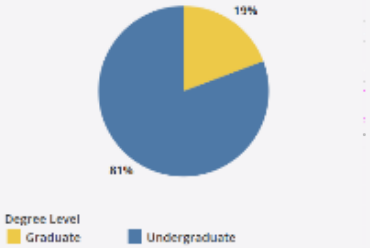
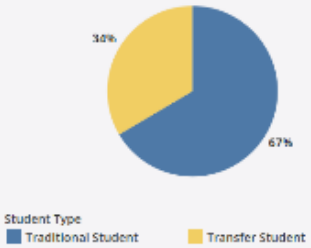
Student Composition

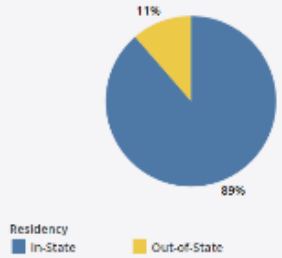
Degree Level



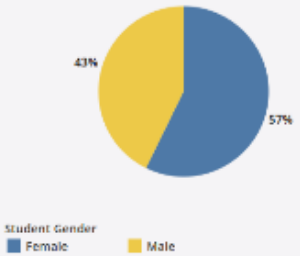
Student Type



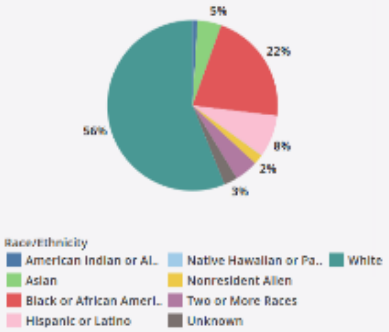
Student Residency



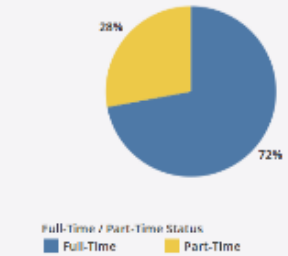
Student Gender



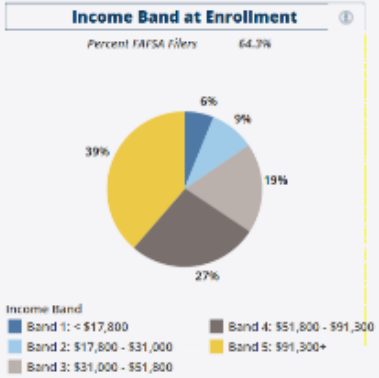
Student Race / Ethnicity



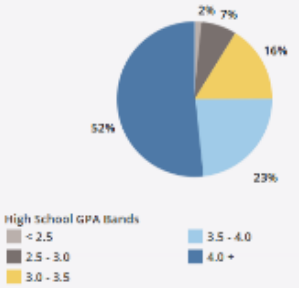
Full-Time / Part-Time Status



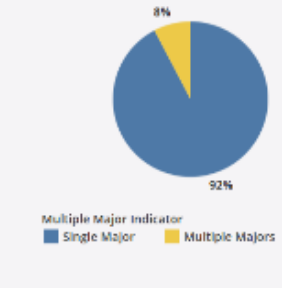
Income Band at Enrollment



High School GPA Bands



Multiple Majors



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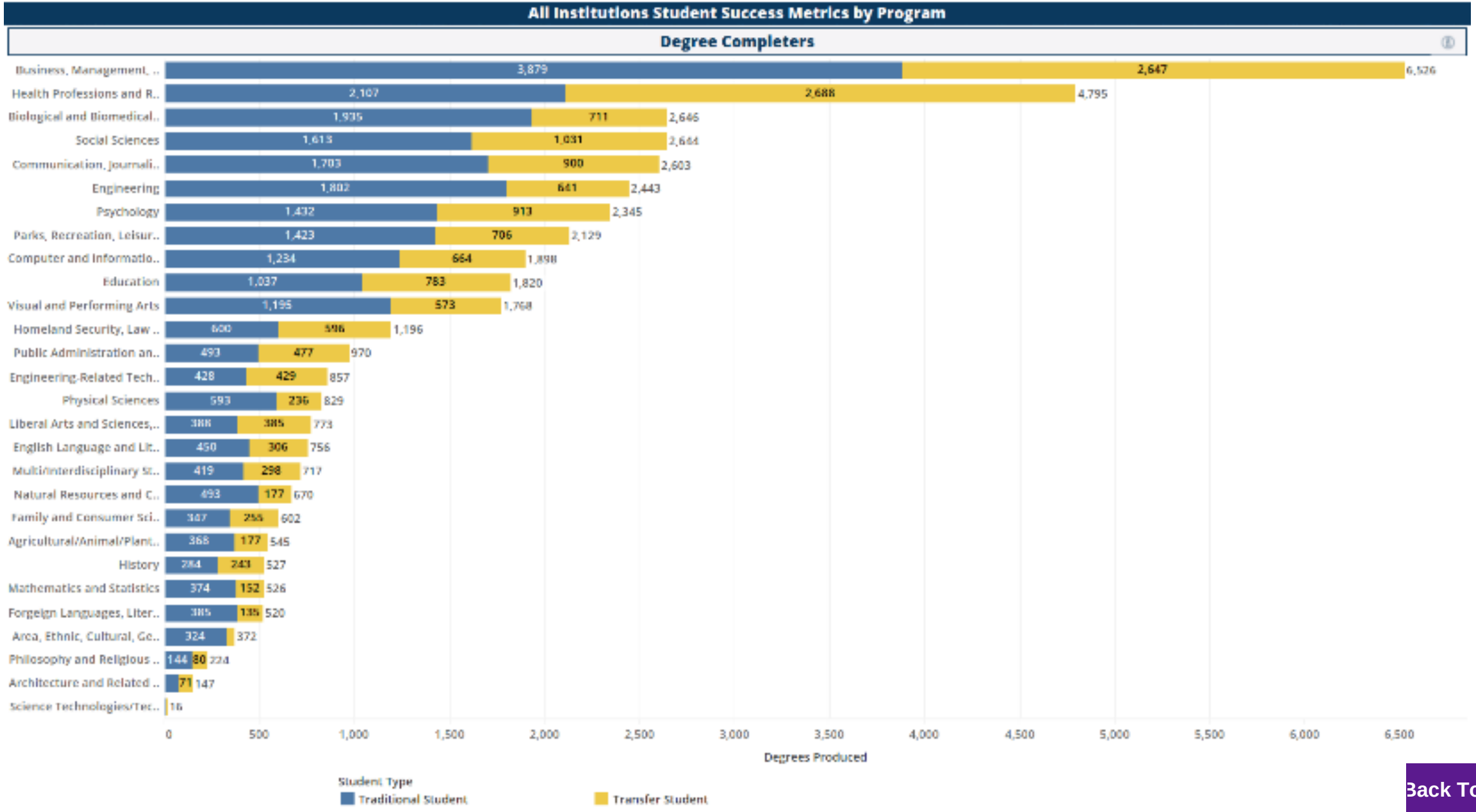

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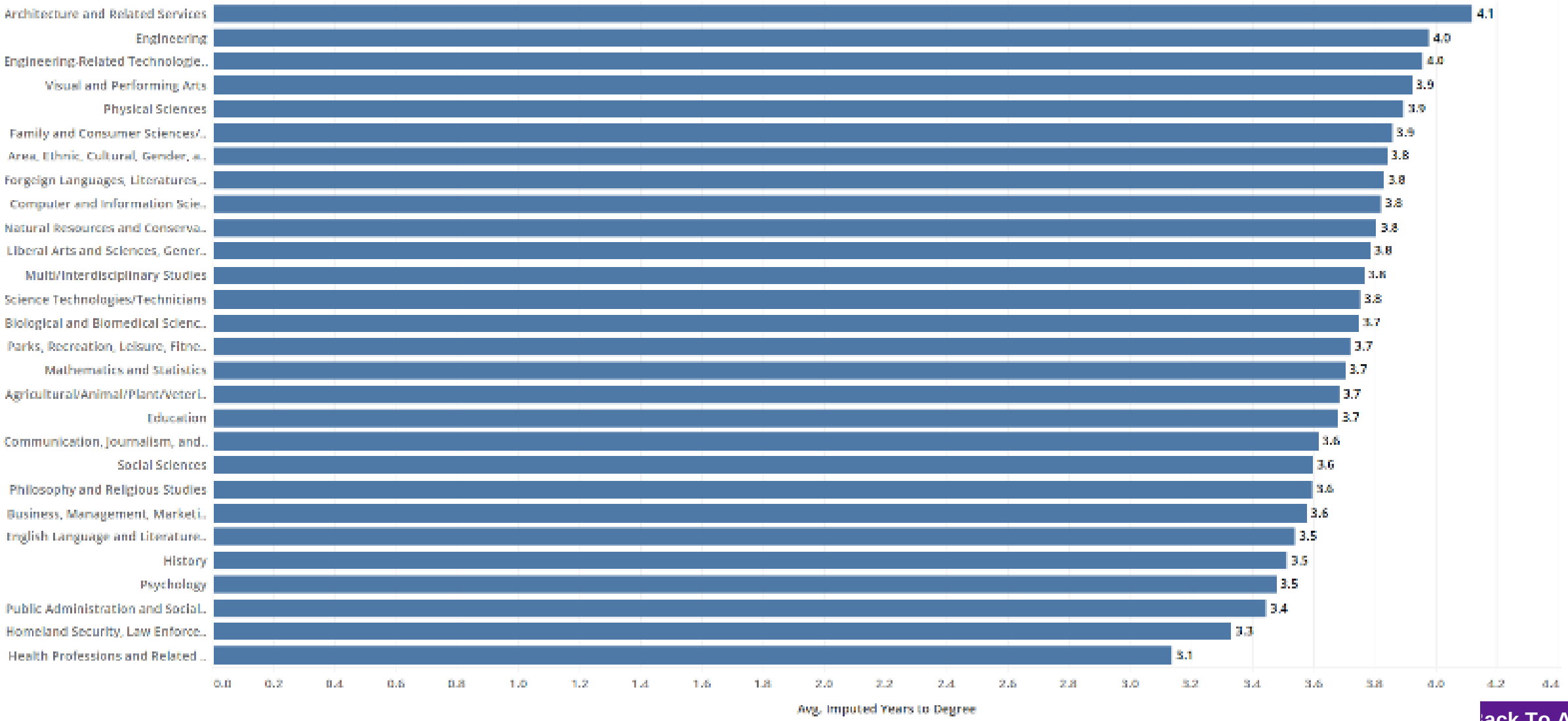
All Undergraduate Average Time to Degree

Student Type - *Please note this filter works independently from the filter at the top of the page.*

All Undergraduate



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Dashboard Data Filters

The following filters allow users to select various attributes of the population to further segment the data.

Note, selecting a filter is not required but doing so will dynamically update the graphics below. For example, selecting a *'Level 1 Field of Study'* will filter the charts to display more granular detail, the *'Level 2 Fields of Study'*, associated with the selected group.

Field of Study
(All)

Residency
(All)

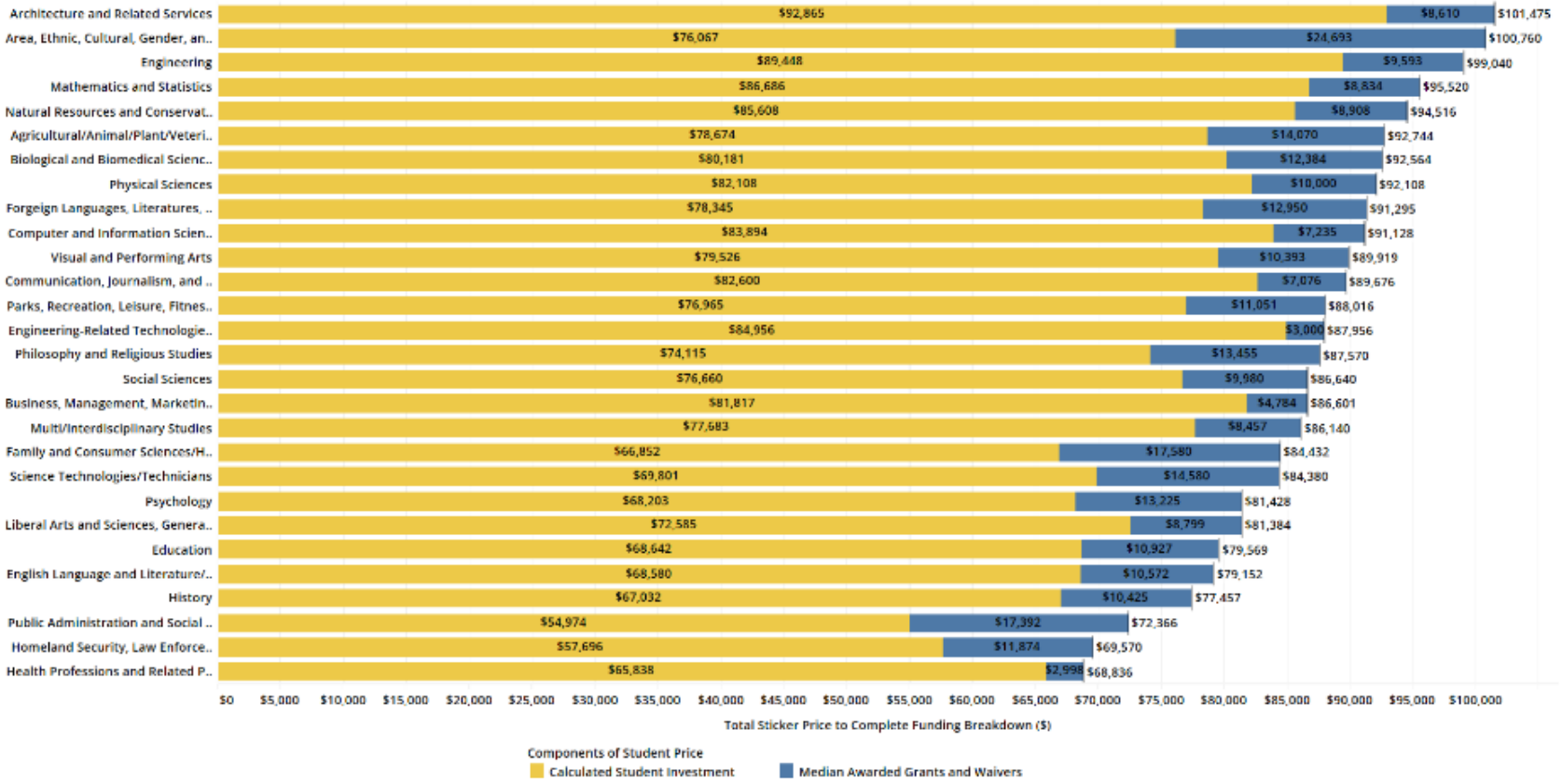
Degree Level
Undergraduate

Student Type
All Undergraduate

All Institutions Median Student Investment by Program

Median Sticker Price to Completion		Median Awarded Grants & Waivers		Calculated Student Investment
$86,640	−	$8,188	=	$78,452

Student Price to Complete



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Field of Study	Median Cost of Attendance	Median Imputed Years to Degree	Median Sticker Price to Completion	Median Awarded Grants and Waivers	Calculated Student Investment
Agricultural/Animal/Plant..	$23,186	4.0	$92,744	$14,070	$78,674
Architecture and Related ..	$23,629	4.0	$101,475	$8,610	$92,865
Area, Ethnic, Cultural, Ge..	$25,190	4.0	$100,760	$24,693	$76,067
Biological and Biomedical..	$23,814	4.0	$92,564	$12,384	$80,181
Business, Management, ..	$22,957	4.0	$86,601	$4,784	$81,817
Communication, Journali..	$22,945	4.0	$89,676	$7,076	$82,600
Computer and Informati..	$22,782	4.0	$91,128	$7,235	$83,894
Education	$22,136	4.0	$79,569	$10,927	$68,642
Engineering	$24,760	4.0	$99,040	$9,593	$89,448
Engineering-Related Tech..	$21,989	4.0	$87,956	$3,000	$84,956
English Language and Lit..	$22,298	4.0	$79,152	$10,572	$68,580
Family and Consumer Sci..	$20,916	4.0	$84,432	$17,580	$66,852
Foreign Languages, Liter..	$23,277	4.0	$91,295	$12,950	$78,345
Health Professions and R..	$21,708	3.5	$68,836	$2,998	$65,838
History	$21,662	3.5	$77,457	$10,425	$67,032
Homeland Security, Law ..	$21,402	3.5	$69,570	$11,874	$57,696
Liberal Arts and Sciences,..	$20,346	4.0	$81,384	$8,799	$72,585
Mathematics and Statisti..	$23,880	4.0	$95,520	$8,834	$86,686
Multi/Interdisciplinary St..	$22,999	4.0	$86,140	$8,457	$77,683
Natural Resources and C..	$23,629	4.0	$94,516	$8,908	$85,608
Parks, Recreation, Leisur..	$23,347	4.0	$88,016	$11,051	$76,965
Philosophy and Religious ..	$23,472	4.0	$87,570	$13,455	$74,115
Physical Sciences	$23,027	4.0	$92,108	$10,000	$82,108
Psychology	$22,850	4.0	$81,428	$13,225	$68,203
Public Administration an..	$20,676	3.5	$72,366	$17,392	$54,974
Science Technologies/Tec..	$21,095	4.0	$84,380	$14,580	$69,801
Social Sciences	$22,968	4.0	$86,640	$9,980	$76,660
Visual and Performing Ar..	$22,544	4.0	$89,919	$10,393	$79,526

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Dashboard Data Filters

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Field of Study
(All)

Residency
(All)

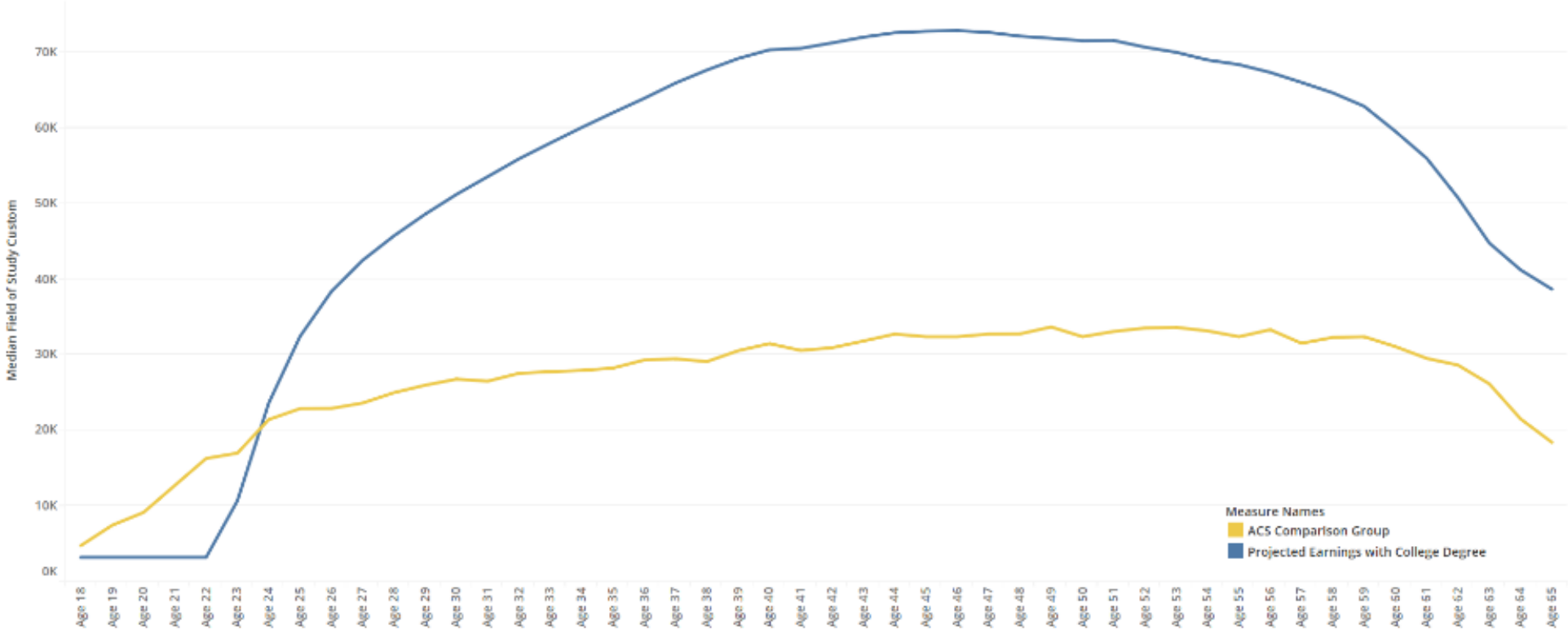
Degree Level
Undergraduate

Student Type
All Undergraduate

All Institutions Student Career Outcomes

Median Lifetime Earnings with College Degree		Median Lifetime Earnings without College Degree		Calculated Incremental Lifetime Earnings
$1,232,747	−	$660,203	=	$572,544

Median Lifetime Earnings Trajectory



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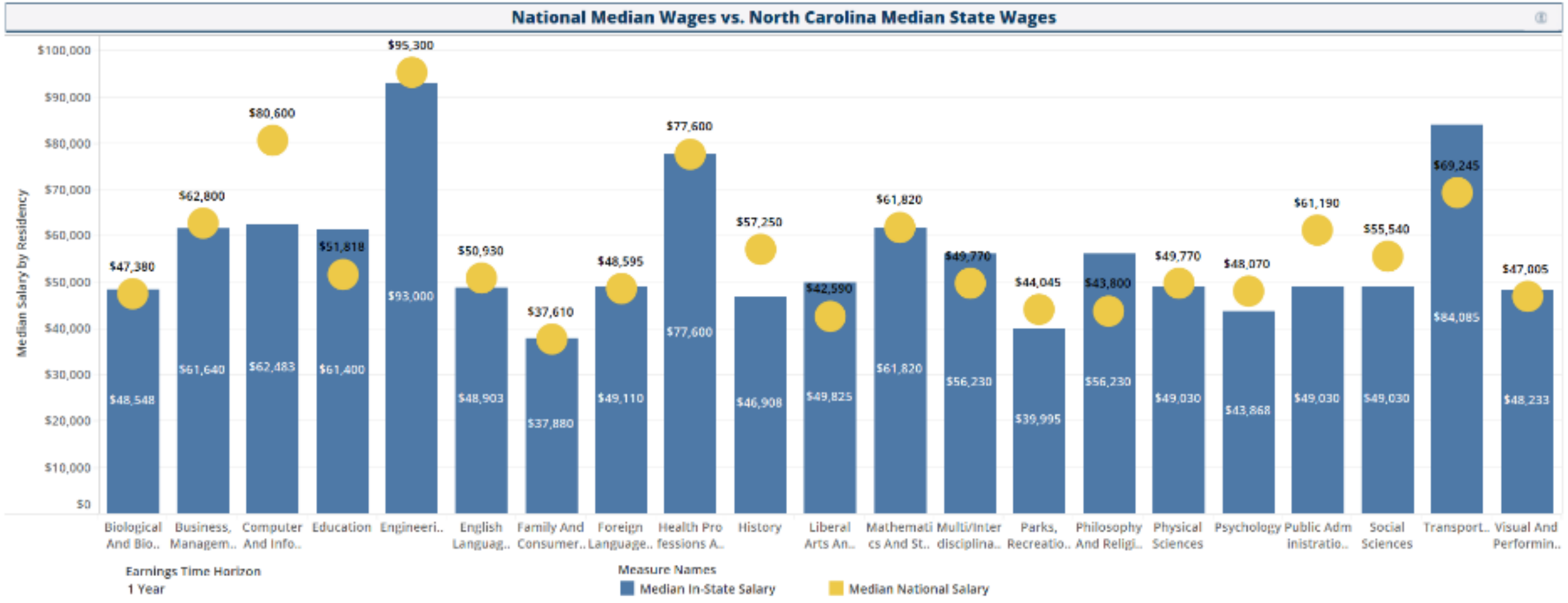
National Median Wages vs. North Carolina Median State Wages



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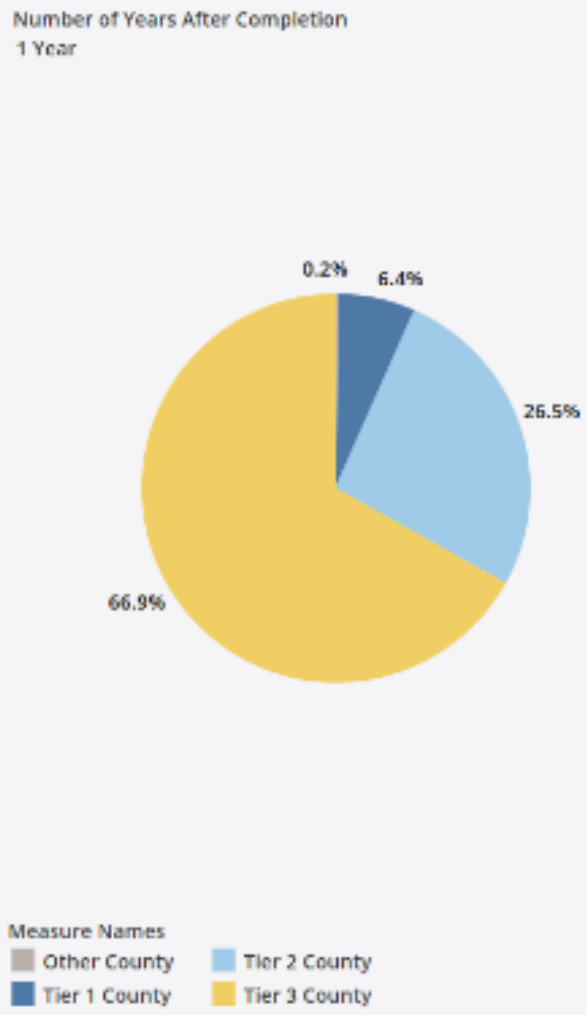
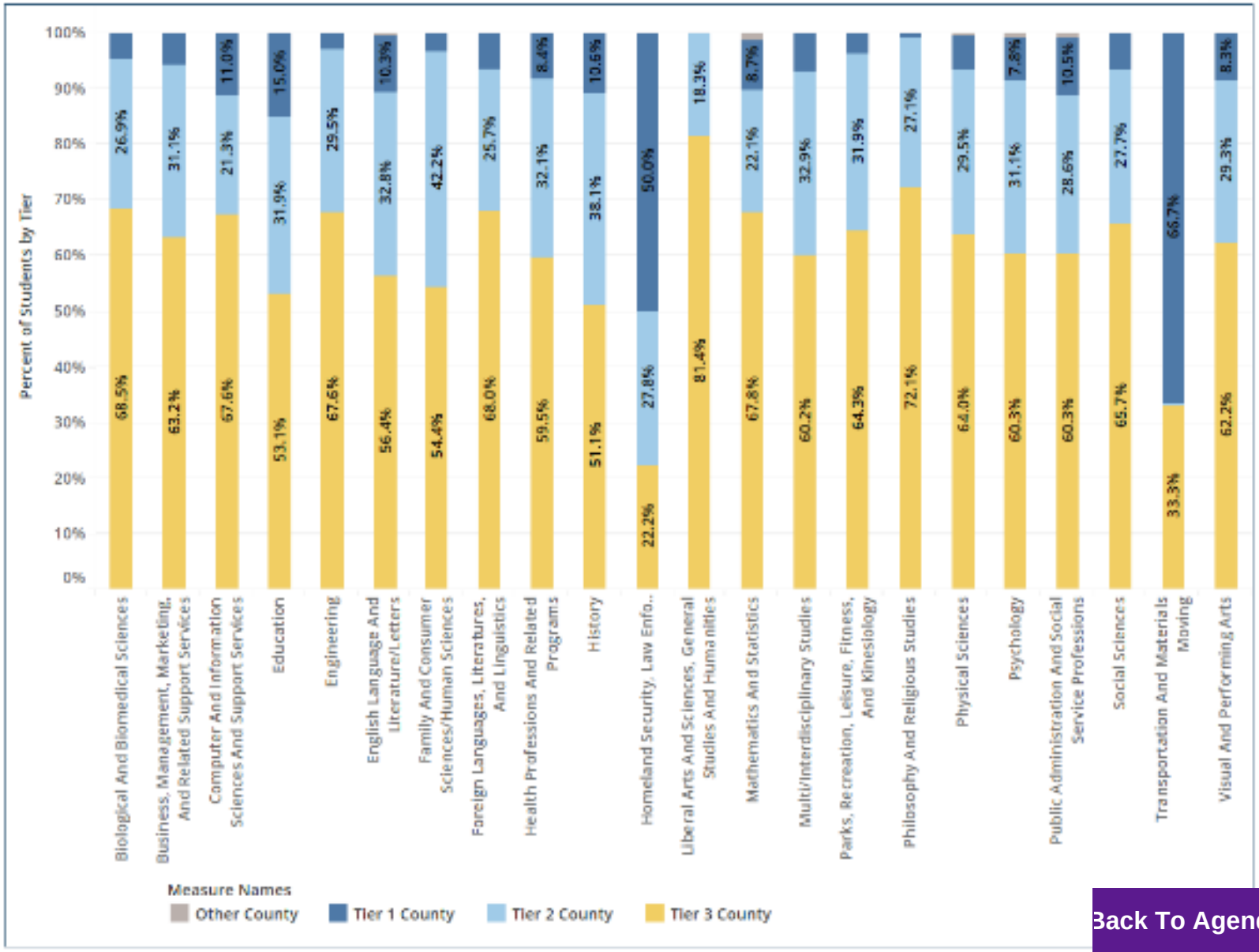
Percent of Alumni by County Tier



County Distress Rankings (Tiers)



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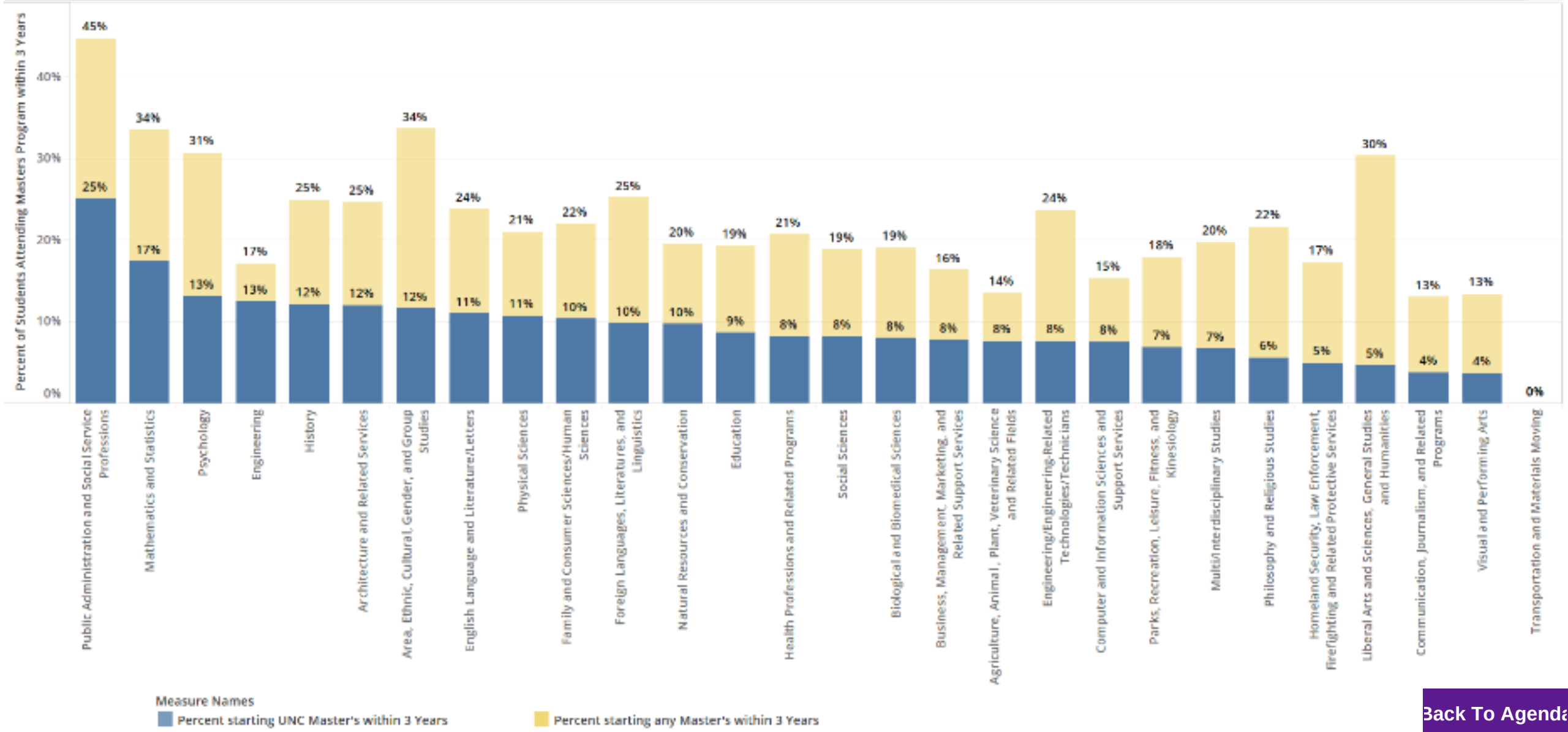
Graduate Program Attendance



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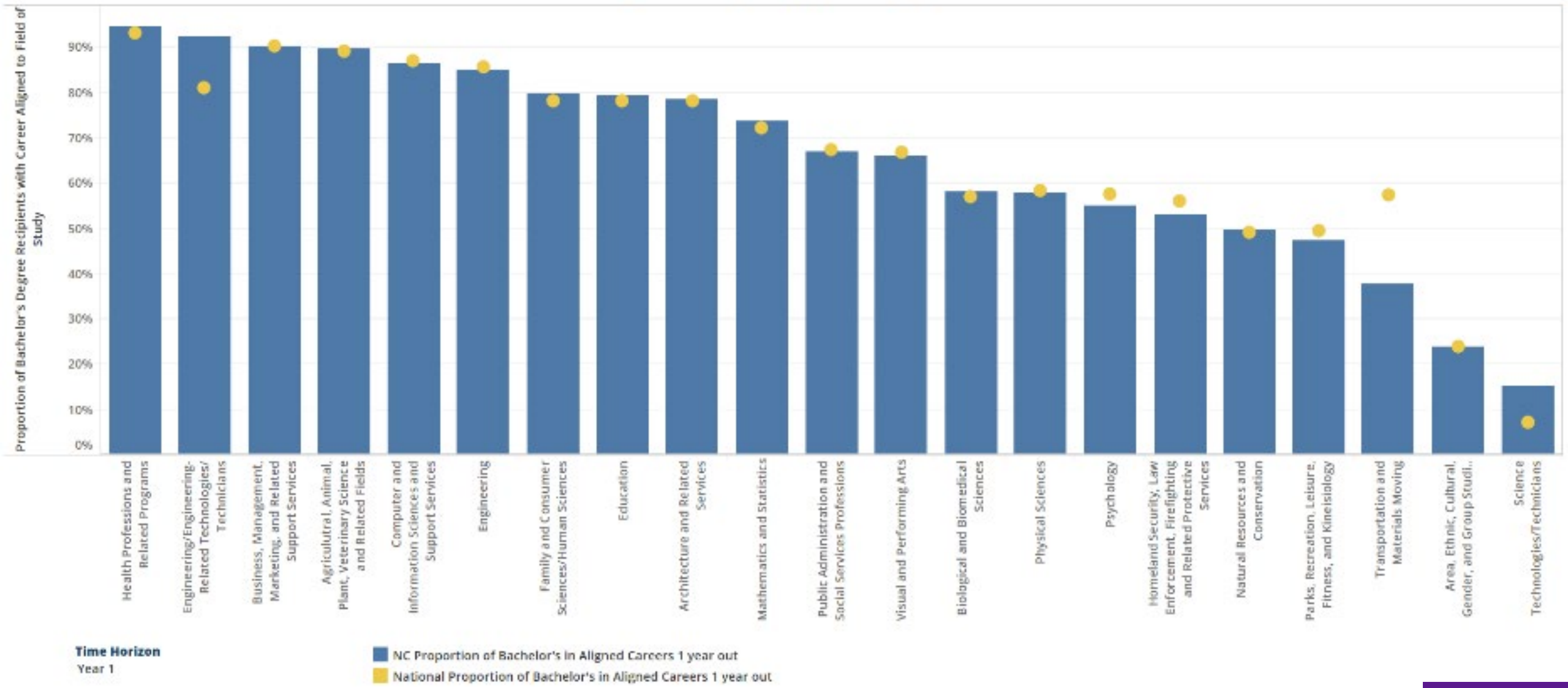
Program of Study to Employment Alignment



Time Horizon
Year 1

NC Proportion of Bachelor's in Aligned Careers 1 year out
National Proportion of Bachelor's in Aligned Careers 1 year out

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Dashboard Data Filters

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Field of Study
(All)

Residency
(All)

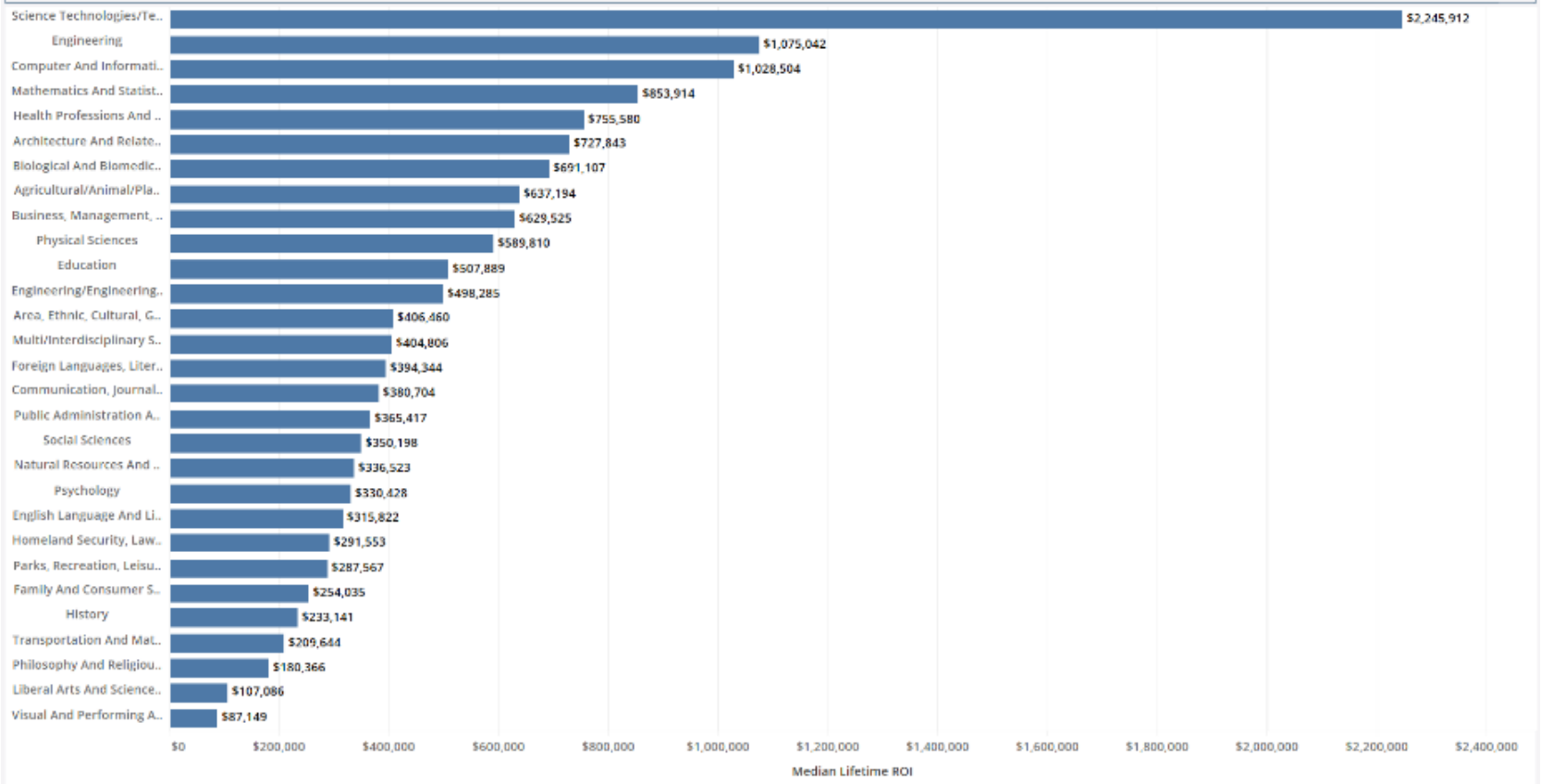
Degree Level
Undergraduate

Student Type
All Undergraduate

All Institutions ROI Overview

Calculated Incremental Lifetime Earnings		Calculated Student Investment		Calculated Lifetime Return on Investment
$572,544	−	$78,452	=	$494,091

Median Lifetime Return on Investment



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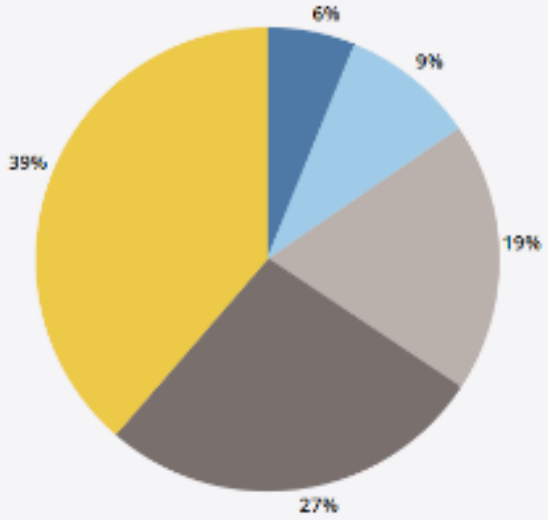
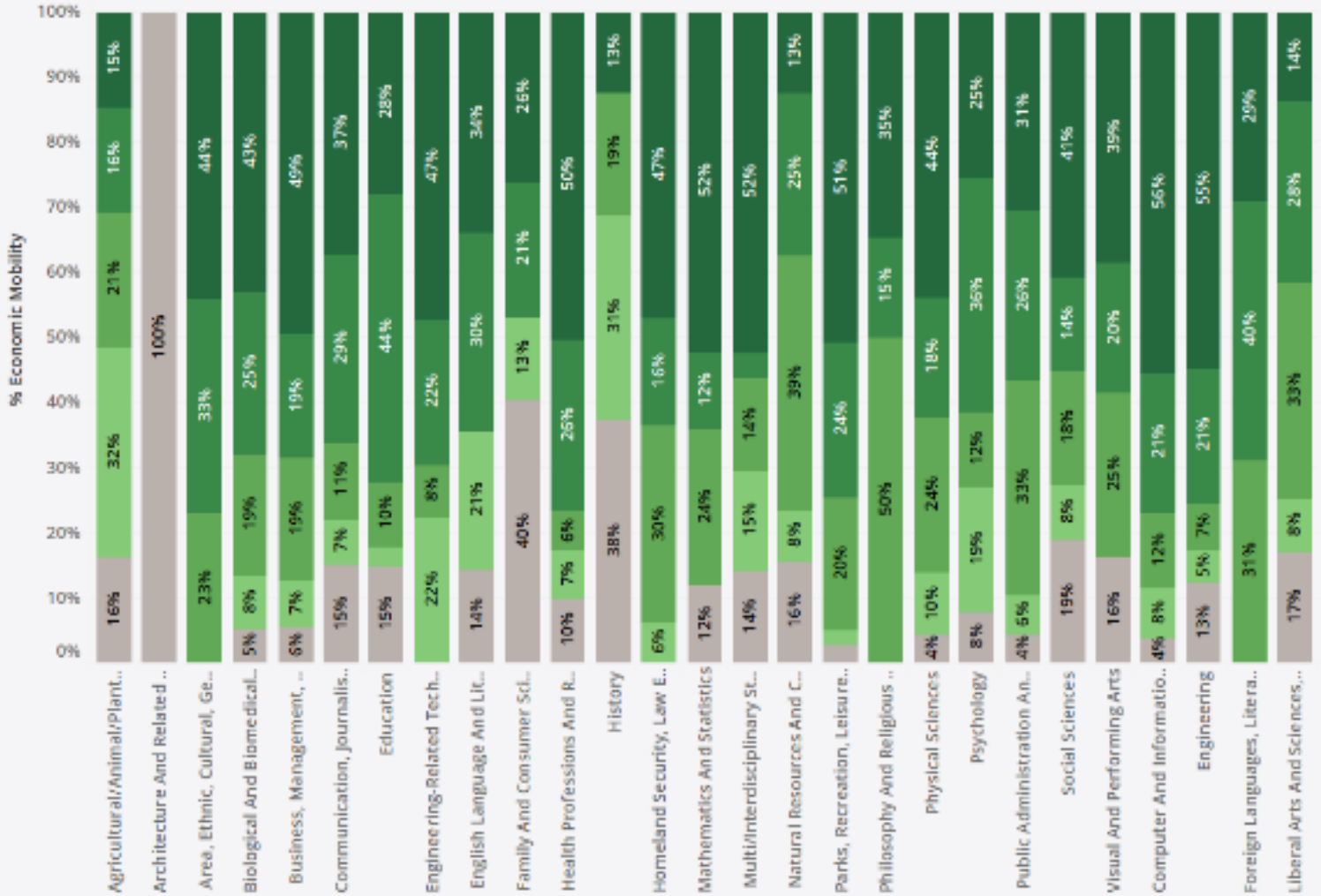
Income Band at Enrollment

Percent FAFSA Filers 64.3%



Income Band
- Band 1: < $17,800
- Band 2: $17,800 - $31,000
- Band 3: $31,000 - $51,800
- Band 4: $51,800 - $91,300
- Band 5: $91,300+

Economic Mobility of Graduates



Student Income Band at Enrollment
Band 1: < $17,800

20-Year Economic Mobility
- Increased 4 Income Bands
- Increased 3 Income Bands
- Increased 2 Income Bands
- Increased 1 Income Band
- No Upward Mobility

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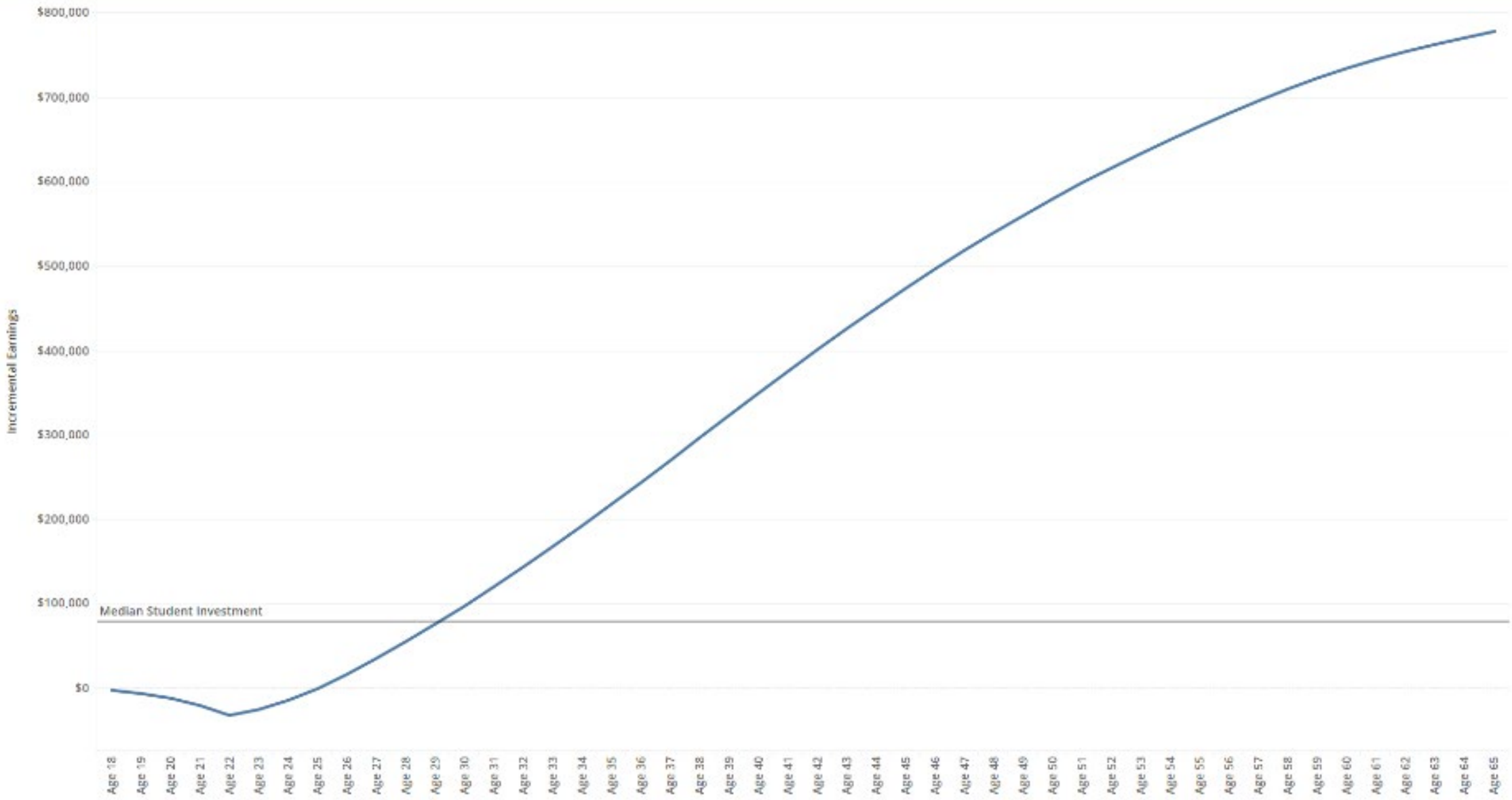
All Institutions Student Breakeven Summary



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Preamble

This report explores a number of dimensions to address how the University of North Carolina System is performing on its promises of preparing students for rewarding careers, building a highly competitive workforce for the State, and delivering positive return on investment (ROI) for students and the State. Rapid change in the North Carolina economy and in the talent that this economy is comprised of places new demands on the State's higher education infrastructure. The sectors, occupations, skills, and credentials that define the opportunity landscape for graduates are a set of dynamic considerations that require continuous adaptation. In that context, enhancing student outcomes and program ROI hinges on awareness of and alignment with that evolving landscape.

The importance of the UNC System in preparing talent to power North Carolina's economy is illustrated by several major trends:

Rising Demand for an Educated Workforce

North Carolina's job market is growing fast, with 302,000 new jobs projected between 2018 and 2028; however, the contours of that growth will reshape the distribution of work across occupations. Specifically, North Carolina's job market has seen a marked shift in demand towards jobs which usually require a college degree. An analysis of North Carolina's occupation growth projections shows us that occupations that require a master's, doctorate, or professional degree are expected to experience the fastest annual growth and occupations requiring a bachelor's degree are projected to grow faster than degree-optional jobs. This trend is most visible when considering the projected growth and decline of various sectors in North Carolina through 2028. While sectors such as Professional, Scientific, and Technical Services (+15.8%), Health Care and Social Assistance (+13.7%), and Management of Companies and Enterprises (+12.0%) are expected to exhibit some of the fastest job growth in North Carolina.

Rapidly Growing Skills are Transforming How Work is Done

The pace of change in North Carolina is set not only by industry growth and the emergence of new jobs, but also by how new technologies and evolving skill requirements are transforming the way current jobs are done. Since 2017, 37% of the top skills that workers need to perform the average job nationwide have been replaced, ranging from the growing requirement that designers have data skills; to data scientists being required to have business skills; to tech workers being expected to swap out known languages for the latest platforms. For example, demand for workers with knowledge of Cloud Solutions has grown 350% in prevalence in North Carolina over the past 5 years, with much of this demand in jobs outside of traditional tech industries. Demand for those who have product management skills has grown more than 150% across the board, while foundational or human skills such as teaching, initiative, leadership, and communication have all seen demand more than double. If higher education programs lag these changes, graduates may not have the skills to land a job while, for the economy, the workforce we have may no longer be the workforce we need going forward.

Importantly, it is not just that new skills are storming the stage. As illustrated above, work is increasingly blending skills from across domains, for example requiring workers outside the tech world to acquire coding or data skills. Over the past decade, the share of marketing jobs requiring data skills has grown 50% while the number of occupations with significant demand for creativity skills has risen over 400%, including many tech jobs. For workers, these kinds of fundamental changes challenge traditional learn-as-you go approaches. For graduates, this creates an imperative to acquire skills from across academic silos.

Emerging technologies once on the frontiers of innovation are moving from Silicon Valley to Main Street. One in eight job openings last year required one of four rapidly emerging skills: Artificial Intelligence/Machine Learning (AI/ML),

Cloud computing, product management, or social media. 16% of manufacturing sector postings and even 8% of retail openings now require one of these four skills while demand for these skills has surged beyond just tech hubs.

The Nature of the Workforce is Changing

Job growth in North Carolina is highly concentrated geographically; over two-thirds (72%) of the new jobs projected in the State through 2028 will be created in the Charlotte, Raleigh, and Durham regions. Illustrating this point, in 2020 North Carolina saw net inflow of approximately 61,000 new residents, 60% of whom moved to Charlotte, Raleigh, and Durham, which represent less than 40% of the State's population. These areas are seeing high talent in-migration, but little internal upward mobility for existing workers; while good jobs are being created and filled, fewer workers are being "pulled up" into better jobs as part of this growth than is seen in other MSAs nationally.

North Carolina's skills-base also is taking on a two-speed nature; the cities with the skills powering the growth of future industries, and the cities without those skills. Overall, North Carolina lags in the specialized skills needed to power frontier industries. Forthcoming Burning Glass Institute research indicates that, while North Carolina ranks #15 among states in the strength of its tech skill base, the State ranks #34 for the skills needed for Green Jobs and #44 for Advanced Manufacturing. While the Raleigh, Durham, and Charlotte MSAs are all among the top 20 nationally for the skills needed to support these growing industries, the rest of the State is lagging far behind.

Challenges in the Alignment Between Supply & Demand

While job creation in North Carolina is expected to disproportionately favor those with degrees, higher education enrollments have begun to decline. From Fall 2021 to Fall 2022, enrollments declined for the first time in many years across the UNC System (by 2%) despite an increased enrollment share of out-of-State students. New graduate student enrollment declined almost 8% despite the growing North Carolina population. While 2022 brought some recovery, shifting demographics (including a falling birthrate) mean that high school graduations both nationwide and in North Carolina are expected to peak in 2025/2026. Thereafter, graduations are expected to decline for the following decade or more, stabilizing at about 114,000 high school graduations per year in North Carolina, a 5.8% decline from peak graduations.

In many critical fields, the pipeline of talent into the market is insufficient. For example, amidst a rising tide of supply chain shortages, 20,000 logisticians (i.e., coordinators of the life cycle of products that oversee purchasing, transportation, inventory, and warehousing of consumer goods) are expected to exit the workforce each year and, over and above replacing them, 5,600 new logisticians will be needed each year. Yet, nationally, only 10,000 logistics degrees are conferred annually.

A rapidly changing skills landscape, widespread labor shortages, and declining enrollments highlight the critical need for the UNC system to be dynamic in equipping students – the present and future members of North Carolina's workforce – with the skills and education needed to power the future of the State's economy. A continued focus on outcomes will be necessary to rise to the imperative set by this confluence of trends.

Introduction and Purpose

In November 2021, the North Carolina General Assembly directed the University of North Carolina Board of Governors ("BoG") to contract with an independent consultant to conduct an evaluation of current programs at each constituent institution of the University of North Carolina System ("UNC System") related to operational costs, student outcomes, and return on investment ("ROI") of each program. This assessment is designed to evaluate ROI from the perspective of three different stakeholder groups: each institution in the UNC System, UNC System students, and the State of North Carolina. Specifically, the request from the General Assembly included the following mandates:

1. The number of students in each program
2. The number of faculty and staff employed for each program
3. The related costs to operate each program, inclusive of total staff compensation and benefits, facility costs, and any other related expenses, including overhead
4. A detailed correlation between degree of study and directly related career roles and associated expected starting compensation, as well as expected career earnings for students upon completion of those programs
5. A detailed ROI for each program
6. ROI for State funding expenditures
7. ROI for student funding expenditures

After a request for proposals process, the UNC System Office selected Deloitte Consulting LLP ("Deloitte"), a global professional services firm dedicated to solving its clients most complex and unique challenges. Higher education has been a priority sector for Deloitte since the firm began supporting colleges and universities in 1913. Since then, Deloitte's Higher Education practice has cultivated strong relationships with a diverse array of institutions, including university systems, public and private colleges, community colleges, and all Carnegie classifications of research institutions. Deloitte has completed 900+ projects with over 250 higher education institutions, including all 10 of the top 10 universities and 65 of the top 100 universities, according to *U.S. News & World Report* rankings.

Deloitte was proud to partner with two firms for this assessment: rpk GROUP and the Burning Glass Institute ("BGI"). rpk GROUP's focus on maximizing Mission, Market, and Margin® for its clients has made the firm a recognized leader in defining the future of higher education and work. rpk GROUP focuses on business model design, sustainable innovation frameworks, strategic partnerships, and academic administrative reviews, and the firm was instrumental in defining the team's approach to academic costing for this engagement. BGI engages with their clients at the intersection of learning and work by advancing data-driven research on the future of work and workers. BGI works with a wide range of stakeholders from educators to employers to policymakers to develop solutions that build mobility, opportunity, and equity through skills. BGI's ability to connect academic programming with student outcomes was critical to building the team's analyses focused on the ROI of higher education for both students and the State of North Carolina.

Throughout this report, references to the "Deloitte team" or "project team" encompass the collective work of Deloitte, rpk GROUP, and BGI. More information about Deloitte, rpk GROUP, and BGI can be found within Appendix 1.

It is with pride that we, Deloitte, and our partners collectively submit this report to the General Assembly and the University of North Carolina System. We are all appreciative of the partnerships we have forged over the past year with the System Office and all 16 constituent universities. Both the System Office and the constituent universities graciously dedicated their time serving on the Steering Committee and the Advisory Committee, reviewing data, providing feedback, attending meetings, and completing surveys. The dashboards prepared through this work are a result of the willingness of stakeholders within the System Office and on every campus to engage in the process, dedicating time, knowledge, and expertise to guide and enhance our work.

Executive Insights

Chartered by the North Carolina General Assembly in 1789, the University of North Carolina was the first public university in the United States and the only public university to graduate students in the 1700s. Over 200 years later, the UNC System is now composed of 16 constituent universities and the NC School of Science and Mathematics.[1] The UNC System is led by the UNC Board of Governors whose purpose is to relentlessly pursue achievement of the System's four fundamental objectives:

1. Foster the development of a well-planned and coordinated system of higher education
2. Improve the quality of education
3. Extend educational benefits beyond campus borders
4. Encourage efficient and effective use of the State's resources

To better understand the impact of the State's investments, the North Carolina General Assembly funded this study to analyze and evaluate post-secondary academic degree programs offered at each of the UNC System's 16 constituent universities and provide quantitative measures to determine the return on investment from multiple stakeholder perspectives. Below is a summary of findings from the analysis.

The UNC System produces a significant number of graduates across a wide array of programs annually. The UNC System enrolls over 260,000 undergraduate and graduate students across its 16 campuses and employs nearly 13,000 faculty.[2] The System graduates well over 50,000 students per year, including 57,240[3] degree conferrals in Academic Year 2020-2021. One year after graduation, the State retains within its borders 82% or more of bachelor's degree recipients in 28 of the 29 fields of study[4] shown within this report (at least 84% of graduate degree recipients remain in state across all fields of study), adding to North Carolina's rich, productive economy. The UNC System has also structured its program offerings to align closely with demand for employment. Business Administration, Health Professions, and Engineering are the most common degrees for UNC System graduates, accounting for 40.2% of degrees conferred in Academic Year 2020-2021, while the most in-demand job postings are in the following industries: Healthcare Practitioners and Technical Occupations; Computer and Mathematical Occupations; Sales and Related Occupations; and Business and Financial Operations Occupations. With these data, the State ROI dashboards could be used in the future to help current and prospective students align their field of study with their intended profession based on the profiles of previous graduates.

The UNC System directs $4.2 billion in resources toward instruction. Costs related to instruction fell slightly (less than 0.5%) from academic year 2019-2020 to a total of $4.2 billion in academic year 2020-2021. Salaries, wages, and benefits for both faculty and staff constitute 71.0% of the instructional expenses while the remaining 29.0% is directed toward scholarships and fellowships, supplies and services, utilities, plant and equipment, and other non-compensation expenses. To keep tuition costs low for students and provide the most affordable education the State can offer, the UNC System prioritizes operational efficiency and financial flexibility across its 16 campuses.[5] The System, through support from the State legislature and under the leadership of System President Peter Hans, has

[1] The NC School of Science and Mathematics is not included in this study.

[2] Faculty FTE totals do not include the Military Science and Technology meta-department as those faculty are funded using external sources. In addition, the totals do not include faculty that are not tied directly to a meta-department (e.g., they are tied to a college or institution) and do not include staff, teaching assistants, graduate research assistants, or other student workers. Finally, UNCSA's categorizations of faculty differ from the other universities in the UNC System and have been manually updated in collaboration with UNCSA to fit the definitions of tenure track and non-tenure track faculty that are commonly used across the System.

[3] Undergraduate students are only counted once based on their first major and the following terminal degrees have been excluded: Dentistry, Medical, Veterinary, Pharmacy, and Law.

[4] Fields of study are aligned to CIP codes.

[5] Source: "Affordability and Efficiency." northcarolina.edu/impact/affordability-efficiency.

built robust programs such as the NC Promise and the Fixed Tuition Program that increase educational access, reduce student debt, and ultimately boost the State's economy. The data within the Institutional Context dashboard series allows for meaningful comparisons of the UNC System's instructional costs across programs and campuses. These analyses can support educational leaders across the System in learning best practices and sparking dialogue in order to continue to remove barriers to educational access and keep tuition rates low for all students.

Through Fall 2021, student enrollments continued to break records in each year.[6] As a result of student enrollment growth, the System's two most important revenue sources, State appropriations and tuition revenues, have increased. State appropriations have risen at an average annual rate of 2.6% from academic year 2016-2017 to a total of $2.8 billion[7] in academic year 2020-2021, while tuition revenues have been boosted by record setting enrollments in each academic year from Fall 2014 to Fall 2021. Of the more than 260,000 students enrolled within the System, 85.5% are State residents while the remaining students hail from other states or abroad. Although in-State students are the primary engine behind UNC's enrollment growth and associated tuition and appropriations revenues, forecasts of high school graduates in the State are projected to decline after 2025/2026.[8]

The value of a UNC Degree is convincing when measured against individuals who did not complete degrees. The data show that the median *incremental* lifetime return on investment for an undergraduate student that completes a degree is $494,091 while the median *incremental* lifetime return on investment for a graduate student that completes a degree is $930,515. The term "incremental" is used here as these ROI calculations are made by comparing the expected lifetime earnings of UNC graduates against the expected lifetime earnings of non-graduates in the state to isolate the additive (i.e., incremental) value of a UNC degree. These figures are based on comparing UNC graduates to populations within the American Community Survey ("ACS") data set (more information on the ACS data set can be found in the Student ROI dashboard series).

UNC degrees provide economic mobility for graduates. The data within the Student ROI dashboards demonstrate that a UNC degree holds significant value in the job market as (1) UNC graduates earn substantially more than non-graduates and (2) a UNC degree is an affordable investment when measured against the projected returns. These two factors allow 89.6% of low-income graduates[9] to experience some degree of economic mobility, meaning they are able to move up at least one income band as their careers progress compared to the family income band they started in upon enrollment. Through programs such as the NC Promise and the Fixed Tuition Program, the State has made efforts to remove barriers to access, and students from lower socioeconomic backgrounds have the opportunity to further their education and not be limited by program costs (noting that other barriers exist for many students). The data within the Student ROI dashboard series show that regardless of socioeconomic background, the vast majority of students will at least move up one income band over a 20-year period as a result of having earned a UNC degree.

The average student breaks even on their educational investment in under 10 years. Student debt continues to be a prevalent issue within higher education and has come under increased scrutiny during the COVID-19 pandemic as many borrowers have struggled to pay back their loans resulting in a pause from the U.S. Department of Education on student loan repayment, interest accrual, and debt collections. According to the Education Data Initiative, 47.9 million borrowers have student loan debt totaling up to $1.75 trillion.[10] The data within the Student ROI Dashboard series can support State and academic leaders across the System in better understanding the effect

[6] According to the 2022 UNC System Fall Enrollment Report, enrollment fell in Fall of 2022. This report considers data through Fall of 2021.

[7] State appropriations are amounts received by the UNC System through the State legislature except for grants and contracts and State capital appropriations.

[8] Source: "High School Graduates Profile for North Carolina" https://knocking.wiche.edu/wp-content/uploads/sites/10/2020/12/North-Carolina-Profile.pdf.

[9] Low-income here is defined as students with an income of less than $17,800 at time of enrollment.

[10] Source: "Student Loan Debt Statistics." educationdata.org/student-loan-debt-statistics.

of debt on UNC graduates as the dashboards allow viewers to see the average time a student needs to break even on their investment in education as a result of his/her career earnings. The dashboard can further be filtered by institution and/or field of study to understand the student investment for distinct populations. The dashboards show that for both undergraduate and graduate programs, UNC graduates in aggregate are on average able to break-even on their educational investments in less than 10 years.

The State's investments in the UNC System help boost lifetime earnings of graduates. In Academic Year 2020-2021, the State of North Carolina invested approximately $2.8 billion in the UNC System as leaders across the State promote the need for a well-educated population to fuel economic growth and productivity. Demand for jobs requiring a bachelor's degree in North Carolina is growing and has resulted in Statewide programs like myFutureNC which is dedicated to ensuring that by 2030, two million North Carolinians will have a high-quality credential or postsecondary degree (there are 1.3 million currently).[11] The State ROI Dashboard series shows for each incremental dollar that the State provides in appropriations, a graduate earns $23.07 more in incremental earnings. This increased purchasing power for graduates (multiplied across hundreds of thousands of graduates) can lead to benefits for the State such as increased tax revenues, new businesses, new jobs, and a host of social goodwill such as philanthropic giving.

[11] Source: "Our Mission." myfuturenc.com/about.

Dashboard Development and Methodology

Project Governance

Given the complexity of the analyses conducted over the course of the engagement and the number of parties and campuses involved, the first step of the team's methodology focused on assembling a Steering Committee, an Advisory Committee, and a Data Owners Group to guide and vet the outputs of the engagement and assist with data collection. In formulating these committees, the Deloitte team placed an intentional emphasis on bringing together System executives, data owners, academics, administrators, and faculty to gather multidimensional perspectives and voices on how to define the various metrics that serve as inputs and outputs for the dashboards.

Creating an open and collaborative environment was a critical factor in generating impactful outcomes. We worked diligently to ensure diverse voices and points of view were heard and respected. This step was crucial to gain consensus at key milestones from all involved parties to propel the project forward. The table below provides a high-level breakdown of how the Deloitte team collaborated with UNC:

Deloitte Team's Role	Collaborative Role	UNC's Role
• Provide analytical, financial, and industry insights • Provide leadership with an objective, external perspective • Synthesize information into insights • Conduct supporting research and analysis • Develop impactful findings and deliverables	• Work in a spirit of candor • Act collaboratively to ensure team members and stakeholders are informed, included, and heard • Share concerns and proactively address risks together	• Commit time, energy, and resources • Provide relevant academic and functional expertise • Provide access to stakeholders and requested data • Serve in primary role for communications • Make all final decisions and approve dashboard framework

In order to collaborate effectively as a cohesive team, we asked UNC to assign team members and resources throughout the duration of the project. We worked closely with UNC leadership to identify the appropriate team members and structure to fit UNC's resource availability. Below are the key roles and governing bodies that oversaw progress and execution of deliverables for this engagement along with their specific responsibilities.

UNC Role	Responsibilities
Executive Sponsor [Decision Authority]	• Chairs the Steering Committee • Provides overarching guiding principles for the engagement and the vision for project success • Resolves escalated project issues • Serves as the key decision maker with guidance and recommendations sourced through the Steering Committee
Steering Committee [Decision Authority]	• Champions the project across the UNC System • Supports the Deloitte team in confirming the approach, communicating the project to the relevant stakeholders, and providing support if issues arise throughout the project • Provides periodic, high-level guidance on project approach

UNC Role	Responsibilities
	• Signs off on deliverables/project milestones
Advisory Council [Provides Input]	• Attends executive update meetings corresponding with project milestones to provide institution-specific perspective • Reviews deliverables and provides input to the project team
Engagement Manager and Project Coordinator	• Provides on-going status to all parties at UNC • Supports project delivery and quality control • Supports the Deloitte team with establishing and managing the project details, deliverables, schedules, and tasks • Anticipates and resolves issues that could impact the project budget, schedule, scope, or quality • Confirms all appropriately skilled resources are available for the project and escalates issues in a timely manner • Coordinates and schedules project meetings with relevant stakeholder and subject matter experts
System Data Owners	• Provide institutional context, data, and supporting documentation • Participate in meetings to review and clarify data provided • Provide feedback at interim checkpoints

Approach to Analysis

Upon establishment of a robust governance structure during Project Launch to approve completion of key milestones and guide the engagement outputs, the Deloitte team launched a phased methodology built around the concept of continuous improvement and refinement. The approach below was designed to encourage collaborative, working relationships and strategically built teams of university leaders and stakeholders to advise on each phase of the project, while ultimate decision authority for metrics included in the dashboards rested with the System Office.

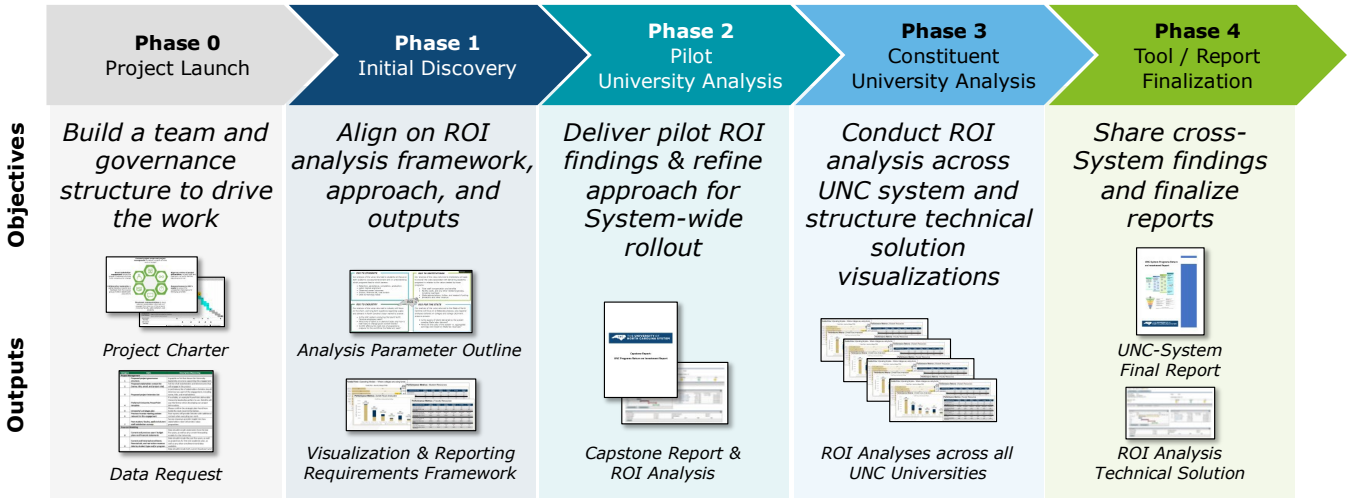


Figure 1: Summary Project Approach

Phase 1 – Initial Discovery: The initial discovery phase of this engagement focused on two goals: (1) collect information to better inform how to calculate return on investment and (2) build consensus among UNC System Office and constituent institution leadership on a common analytical framework which properly, consistently, and fairly accounts for differences across institutions. To achieve these goals, the team employed a set of guiding principles that served as guardrails for the work and helped support decision-making. The three guiding principles employed were:

1. Adhere to legislative mandates
2. Prioritize replicability and data availability over manual processes and one-off customizations
3. Allow for meaningful comparisons across all UNC constituent universities

With those guardrails in place, Phase 1 commenced with a series of interviews first with the Steering Committee members and subsequently with leaders from each of the 16 constituent universities. The focus of these interviews was to understand the current context of the System and its individual universities and to begin a dialogue focused on understanding the complexities that exist at the program level, how UNC's data and chart of accounts are organized, how data are stored and maintained, and how each institution currently approaches measuring ROI. As a result of these conversations and our concurrent review of the requested data, Phase 1 concluded with a draft analytical framework defining each metric required by the General Assembly and an approach to modeling and calculating the required outputs.

Phase 2 – Pilot University Analysis: Our approach to determining the return on investment for programs, State funding expenditures, and student expenditures combined customized research and data analytics to help UNC understand the impact of its academic program offerings and how those offerings align with market demand. Our approach to the analysis, confirmed during the Initial Discovery Phase, was tested at three pilot universities (North Carolina State University, University of North Carolina at Greensboro, and North Carolina A&T State University) and served as a proof of concept before structuring the analyses at the remaining 13 constituent universities.

For the UNC System to respond to the request of the General Assembly and fully understand the value each of its colleges provides, we used a multi-faceted approach that analyzed the return on investment for three key stakeholder groups: UNC System Institutions, UNC System students, and the State of North Carolina. The following table indicates examples of these data and measures, which were refined over the course of the pilot phase.

ROI for:	Inputs	Outputs
Students	• Number of students within each program • Career outcomes • Student costs: tuition, fees, financial aid, room and board • Student debt and projected earnings	• Median student career earnings • Median student investment in degree • Median student ROI for degree • Economic mobility of graduates • Time to break even on investment
Programs	• General Ledger financial data • Programmatic costs from program cost model by meta-department • Numbers of faculty and staff • Meta-department catalog	• Student credit hours produced by meta-department • Degrees produced by meta-department • Faculty and Staff by meta-department • Cost per credit hour analysis by meta-department

ROI for:	Inputs	Outputs
State Government	• Labor market alignment • State appropriations to the System	• Incremental lifetime earnings per incremental State appropriation dollar • In-State retention of graduates • Share of graduates in high demand fields

At key milestones throughout the engagement, the team presented its analysis structure, data visualizations, and findings to the Advisory Council for review and to the Steering Committee for final approval. During these sessions, we refined the analysis and data visualization approach to produce the outputs the General Assembly sought to understand. Given that these outputs will be utilized to glean insights from each institution in the System, our intention was to create a common, easily interpreted approach that would be useful for each institution in the future and that could be summarized through the creation of this Final Report.

Phase 3 – Constituent University Analysis: After the team concluded its pilot university analysis, we began the process of applying the framework and discoveries to the remaining constituent universities within the System. The team conducted a kick-off meeting and individual review sessions with all 16 institutions, collecting feedback from over 100 stakeholders. Additional feedback mechanisms included office hours, discovery meetings, survey tools, and open email correspondence. The team collaborated with the UNC System Steering Committee and Advisory Committee to verify and review discoveries in real time.

Phase 4 – Tool / Report Finalization: Over the course of Phases 2 and 3 of the project, Deloitte compiled its analyses and pertinent data sets such as UNC System data, BGI's proprietary workforce data, and NC Tower data from the NC Department of Commerce into an evaluation model that feeds data visualizations into a Tableau solution readily accessible to the UNC System Office. The analysis is represented through three series of dashboards aimed at presenting the outputs of the ROI analyses from each user perspective. Finally, a summary of the dashboards was compiled into this report marking the conclusion of the Deloitte team's engagement with the UNC System.

Context and Key Considerations

Given that this analysis involved 16 different constituent universities each with their own unique cost structures, organizational structures, missions, and approach to teaching and learning, there are several considerations to keep top of mind as the analyses presented in this report are explored in greater detail.

1. The analyses in the dashboards were conducted for the express purpose of meeting the requirements as instructed by the General Assembly. As analyzing academic ROI is a prevalent discussion topic within higher education, numerous other tools and methods have been employed by other parties (universities, consulting firms, research firms, etc.) to conduct similar analyses. The data contained within these dashboards should only be used to provide meaningful comparisons among universities within the UNC System and should not be compared to similar metrics contained within studies such as the Delaware Cost Study, the College Scorecard, or any other ROI study. Given that the analyses shown in this report were tailored to the General Assembly's instructions to the System, the distinctiveness of UNC's constituent universities and the rich student, staffing, and financial data available at the System level, comparisons to other studies will not be "apples-to-apples" and could lead to inaccurate conclusions.

2. The analyses were developed to focus on instructional and programmatic costs. Faculty across the UNC constituent institutions generally have three key roles: (1) instruction, (2) research, and (3) service to the public and engagement with the surrounding community. This report is intended to analyze institutional, student, and State

outcomes as they relate to the costs of instruction, and we must acknowledge that outcomes related to research, and public service have been excluded from the report.

3. The Institutional Context Dashboard breaks down instructional costs for each campus and program and defines the ROI for each institution as the academic output created through investments in instruction. To arrive at fully loaded instructional costs for each institution, the team first identified the "universe of dollars" that institutions have discretion to spend to support the delivery of academic programs, excluding dollars such as those that are used towards restricted research and auxiliaries. This universe of expenses was then separated into three cost buckets: direct costs, academic overhead costs, and indirect costs (for detail regarding assumptions and definitions related to the cost buckets, please see the Dashboard Guide and Analysis section of this report). Discussions regarding efficiencies of various programs and universities should not be based solely on a program's costs, but rather should be coupled with other measures of instructional / academic outcomes (in this report: student credit hours generated and degrees conferred) and assessed within the context of each institution.

4. Meta-department mappings were developed to make comparisons between institutions; however, the taxonomy has limitations. Meta-departments classify programs into groups such that all disciplines can be mapped and compared on a similar basis across the UNC System. The 20 meta-departments found in the dashboards were employed as the unit of measure for all institutional context analyses. Although the meta-department mappings were reviewed and approved as the unit of measurement, the UNC System is composed of 16 different constituent universities, each with their own department structure, academic portfolio, and approach to booking expenses within the General Ledger. Much has been done to reconcile these differences through the meta-department mappings, but the data housed in these dashboards should be considered within the unique context of each institution. To keep the dashboards accurate moving forward, meta-department mappings will need to be consistently updated for each constituent university. The Military Science & Technology meta-department has been excluded from this analysis to reflect that this meta-department is partially driven by ROTC courses, which have faculty and staff that are externally funded. Similarly, associate's degrees and terminal degrees including Dentistry, Medical, Veterinary, Pharmacy, and Law have been excluded.

5. The Student ROI Dashboard inputs are quantitative in nature and do not reflect other qualitative factors that could make up Student ROI. To ensure replicability and data consistency, System-level data was utilized in this study, and thus, data availability is limited to metrics tracked across the System, which does not include qualitative metrics for measuring Student ROI. The "return" portion of the ROI equation examines the monetary return from an individual's lifetime career earnings based on his/her field of study and the manner in which a student's degree and career path can contribute to his/her social mobility. It is important to note that a holistic measure of a student's return on investment could also include qualitative measures such as career readiness and agility, civic engagement, mental wellbeing, and other factors that could not be reflected in the dashboards due to a lack of consistent data across UNC institutions.

6. The Student ROI analysis is based on several key assumptions and has its limitations. To measure ROI for students attending a degree program, the team developed a standardized methodology, which compares the student investment (based on total cost of attendance) with incremental lifetime earnings (from the age of 18 to 65). Applying a standardized framework to 16 unique institutions naturally comes with limitations, since each institution is distinct in the way it operates. While the quantitative outputs provide directional guidance, they are intended to be interpreted holistically with the other components of this dashboard.

The analysis includes several key assumptions such as the comparison group, the base year range for lifetime earnings, adjustments for inflation, and other assumptions. It is critical to fully understand all assumptions before drawing conclusions.

- Wage data utilizes the Department of Commerce's NC Tower dataset. This dataset tracks wages for individuals by industry and quarter for employees covered by North Carolina's unemployment insurance laws. The dataset therefore excludes three important groups: individuals working outside the State of North Carolina, those who are self-employed, and those working for the federal government including military.
- Earnings figures have been adjusted for inflation and are reported in today's dollar amounts.
- Lifetime earnings are modeled based on historical data available. The projection methodology assigns a wage rank to each individual based on where observed wages rank in comparison to the individual's cohort. This ranking is carried forward and compared to the observable wages across the life cycle of historical records.

7. The State ROI Dashboards do not represent a comprehensive economic impact study. The State ROI Dashboard series focuses on the alignment of graduates with industry demand and the incremental earnings a graduate receives for each additional dollar in appropriations from the State. This study does not attempt to quantify the additional revenue that the State receives through the System operating sixteen different campuses, the revenue and returns generated by the approximately $2 billion in sponsored research dollars that the UNC System institutions attract, or the societal impact of staff, faculty, and students engaging with the community, volunteering, giving philanthropically, or creating social goodwill through other means.

8. The dashboards have numerous drilldown capabilities, but in cases where only a small number of students are represented, outcomes are not displayed. Each dashboard series comes with several drilldown features so the dashboard viewer can understand outcomes for distinct populations (e.g., individuals within each institution, individuals with the same field of study, in-State vs. out-of-State students, and traditional vs. transfer students, among others). However, at times, based on the filters chosen, the population sample can be so small such that the outcomes and metrics can become skewed, show high variability, and potentially raise concerns about data privacy and identity protection. For this reason, when the sample size of the filtered population is less than 10 individuals, results have been excluded from the dashboards (i.e., the dashboard will appear blank).

Data Collected:

The data necessary to calculate return on investment for each institution, UNC students, and the State were sourced through the UNC System's data marts, BGI's proprietary workforce datasets, ACS data, and NC Tower data from the North Carolina Department of Commerce. Below are the four terrains in which data was collected.

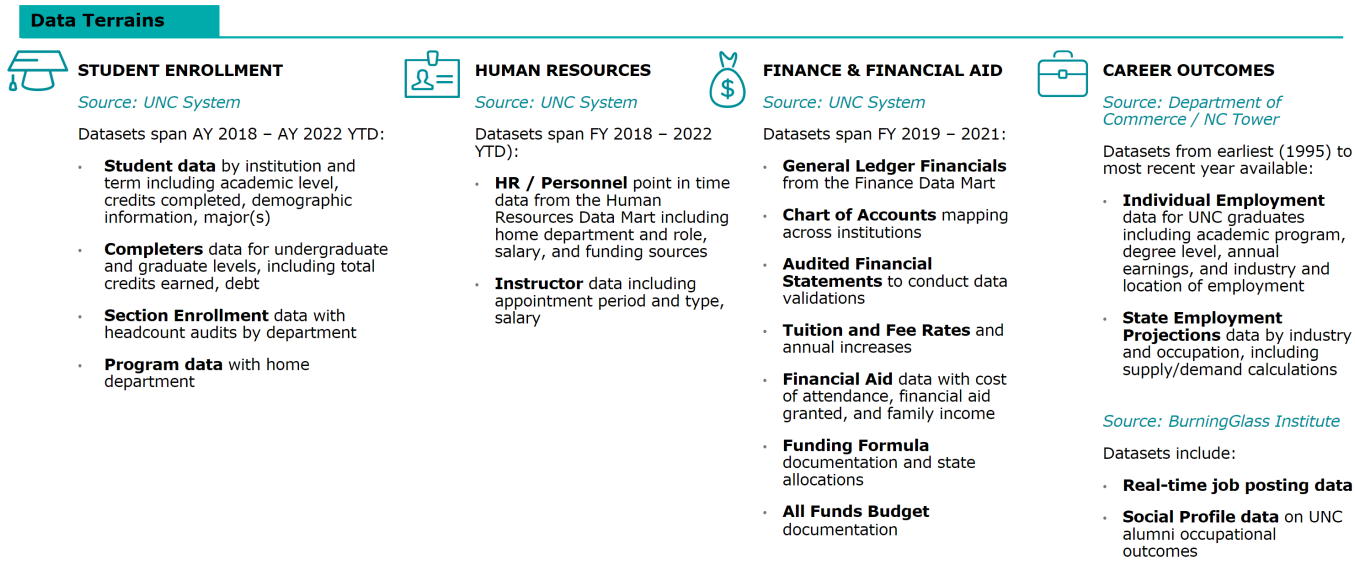


Figure 2: Data Sources and Inputs

A key area of focus for the Deloitte team was establishing a cadence of continuous review cycles and providing all UNC stakeholders with ample opportunities for feedback. While all feedback was considered and weighed in collaboration with the UNC System Executives, not all feedback could be incorporated mainly due to two overarching reasons:

1. Data did not exist to complete the requested analysis, or the analysis would not be replicable (e.g., the approach relies upon significant manual adjustments)
2. Consistent methodologies could not be applied to all campuses

The table below offers a summary of the types of measures that are included in this analysis and the types of measures that could not be included in the analysis due to limiting factors. We recognize the importance and value that the excluded measures could have brought to this ROI analysis, and we understand that ROI is more than just money earned compared to money invested.

Included Measures	Excluded Measures
• Contextual data about each program including number of students, faculty, and staff • Cost analysis including costs of instruction by meta-department, costs to student, and State funding appropriation by institution • Student outcomes including completion rates, career outcomes, and earnings • Institutional outcomes including credit hours and degrees produced • State outcomes include alignment with labor demand and retention of talent in-State.	• Student perceptions of career readiness and value of degree • Civic outcomes including community engagement, volunteerism, and voting participation • Physical and mental wellbeing outcomes for students and graduates • Institutional connectedness including alumni engagement and giving

Keeping these important considerations in mind, the succeeding sections of this report are intended to directly answer each mandate of the General Assembly in sequential order and explain in detail what is represented on each tab of each dashboard series.

Legislative Mandate Responses

1. The Number of Students within Each Program

In academic year 2019-2020, the UNC System enrolled a record-breaking 246,164 students[12] composed of 81% undergraduates (198,722) and 18% graduates (47,442). The enrollment of the UNC System as a whole increased in each year to new highs from Fall 2014 to Fall 2021.[13] Of the 246,164 students, 85.2% are in-State residents and 14.8% are out-of-State students. For context, as of Fall 2021, the BoG had established a cap of 25% for the percent of non-resident students at each HBCU within the System and a cap of 18% for all other institutions (UNCSA is exempt from this policy).[14] North Carolina State University is the largest university in the System with an enrollment of 36,310 as of academic year 2019-2020, closely followed by UNC-Charlotte with 31,002 students and UNC-Chapel Hill with an enrollment of 28,696 students. Although enrollments have been steadily rising within the System, projections from

[12] Counts of students do not include students in associate's degrees, the Military Science and Technology meta-department, and certificate programs. In addition, students in the following terminal degrees have been excluded: Dentistry, Medical, Veterinary, Pharmacy, and Law.

[13] According to the 2022 UNC System Fall Enrollment Report, enrollment fell in Fall of 2022. This report considers data through Fall of 2021.

[14] Source: "2021 UNC System Fall Enrollment Report." https://www.northcarolina.edu/wp-content/uploads/reports-and-documents/academic-affairs/unc-system-fall-enrollment-report-2021.pdf.

the Western Interstate Commission for Higher Education ("WICHE") show that enrollment headwinds could be on the horizon. WICHE projects that high school graduates in North Carolina will increase until 2025/2026 with a record of 120,990 graduates per year, before falling to 112,250 graduates per year by 2037.

UNC System Undergraduate Students

For undergraduates, Business, Management, Marketing, and Related Support Services is the most popular field of study at the System with 32,022 students enrolled, exceeding the 2nd most popular field of study, Health Professions by nearly 10,000 students, and the 3rd most popular field of study Biology and Biomedical Sciences by over 15,000 students. The large numbers of business students are driven by 4,655 students enrolled at East Carolina University, 4,178 students enrolled at UNC Charlotte, and 3,750 students at Appalachian State University. For more detail regarding enrollment at each institution or within each field of study, please see the Student ROI Dashboard series.

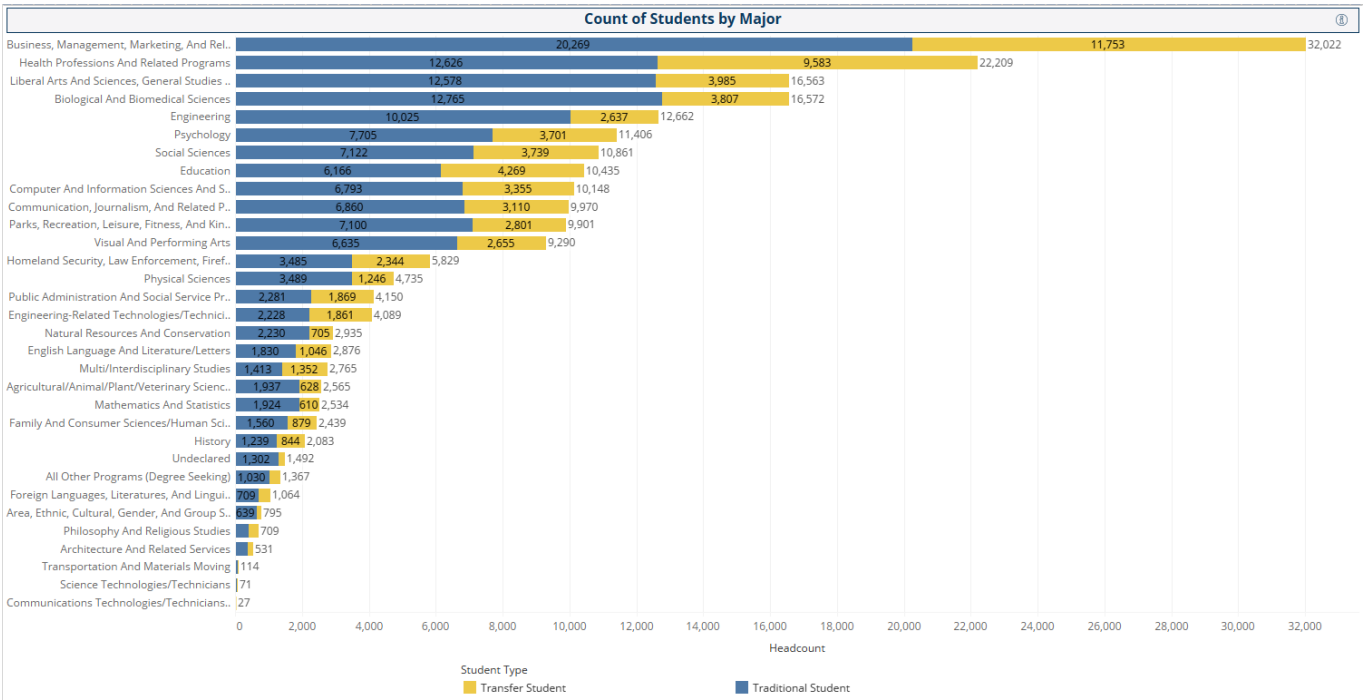


Figure 3: Counts of Undergraduate Students by Major (AY 2019 – 2020)

UNC System Graduate Students

For graduate students, the most common fields of study are Business, Management, Marketing, and Related Support Services with 8,968 students, followed by Education with 7,970 students and Health Professions with 5,725 students. Out-of-State students are more common in the graduate programs, especially in business, engineering, and computer science programs, as 31.5% reside outside of North Carolina compared to just 11.4% for undergraduates. NC State (11,015) and UNC-Chapel Hill (8,780) have the largest graduate program enrollments within the System and account for 41.7% of all graduate enrollments.

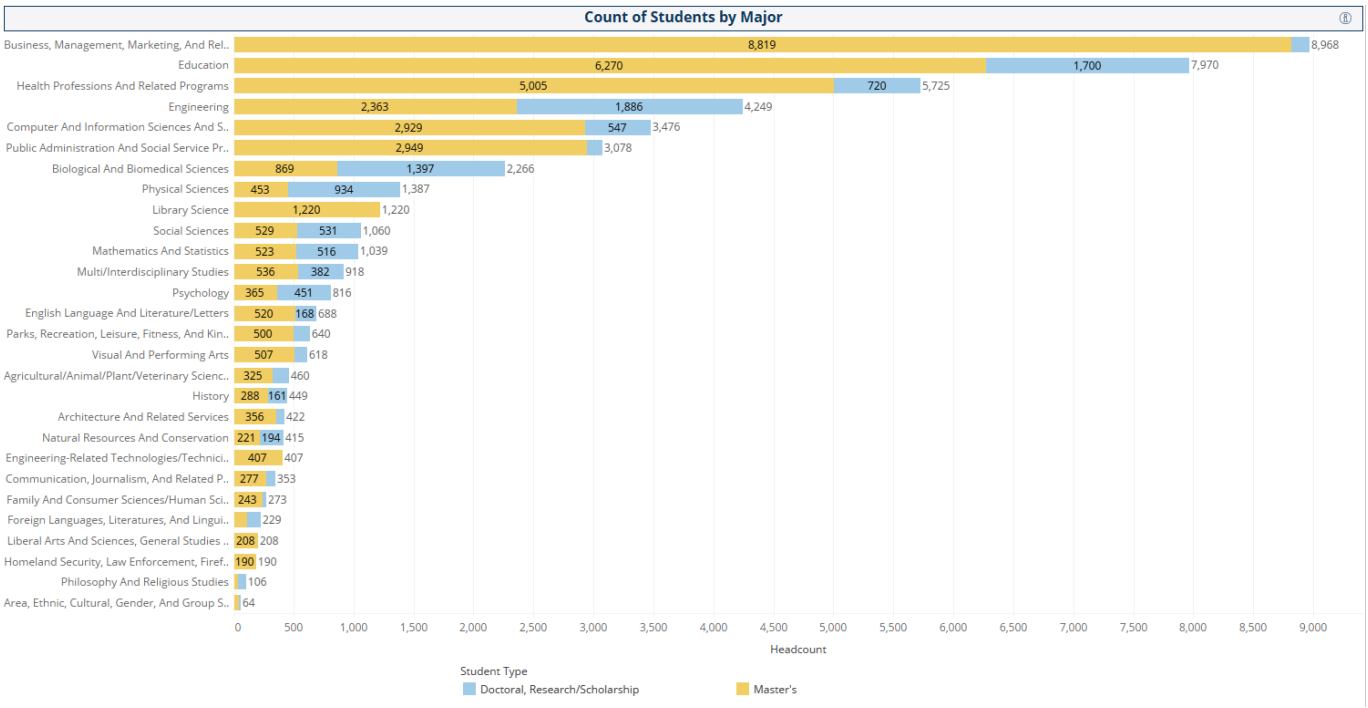


Figure 4: Counts of Graduate Students by Major (AY 2019 – 2020)

2. The Number of Faculty and Staff Employed within Each Program

Faculty Employed within Each Program

The UNC System employed 12,771 faculty FTE[15] in academic year 2020-2021, with 7,849 of the faculty FTE (61.5%) classified as tenured or on a tenure-track while the remaining 4,922 faculty FTE (38.5%) are not tenured or are not on a tenure track. Of the 20 meta-departments captured in the graph below, the largest meta-department, Health Professions, holds the greatest number of faculty with 1,369 (10.7% of all faculty) followed closely by Business Administration with 1,115 faculty (8.7% of all faculty). Faculty within each meta-department can teach or contribute outside of their home meta-department, but the figures displayed in the dashboard refer only to the faculty's home department. For example, if a faculty is assigned to the Health Professions meta-department and also teaches or has other responsibilities within the Biological Sciences, that faculty member is counted once in Health Professions and is not counted again in Biological Sciences. The range of faculty at each institution is 113 at the lower bound (ECSU) to 2,142 (NC State) at the upper bound. For additional details behind the construction of meta-departments, please see the Context and Key Considerations section of this report.

[15] Faculty FTE totals do not include the Military Science and Technology meta-department as those faculty are funded using external sources. In addition, the totals do not include faculty that are not tied directly to a meta-department (e.g., they are tied to a college or institution) and do not include staff, teaching assistants, graduate research assistants, or other student workers. Finally, UNCSA's categorizations of faculty differ from the other universities in the UNC System and have been manually updated in collaboration with UNCSA to fit the definitions of tenure track and non-tenure track faculty that are commonly used across the System.

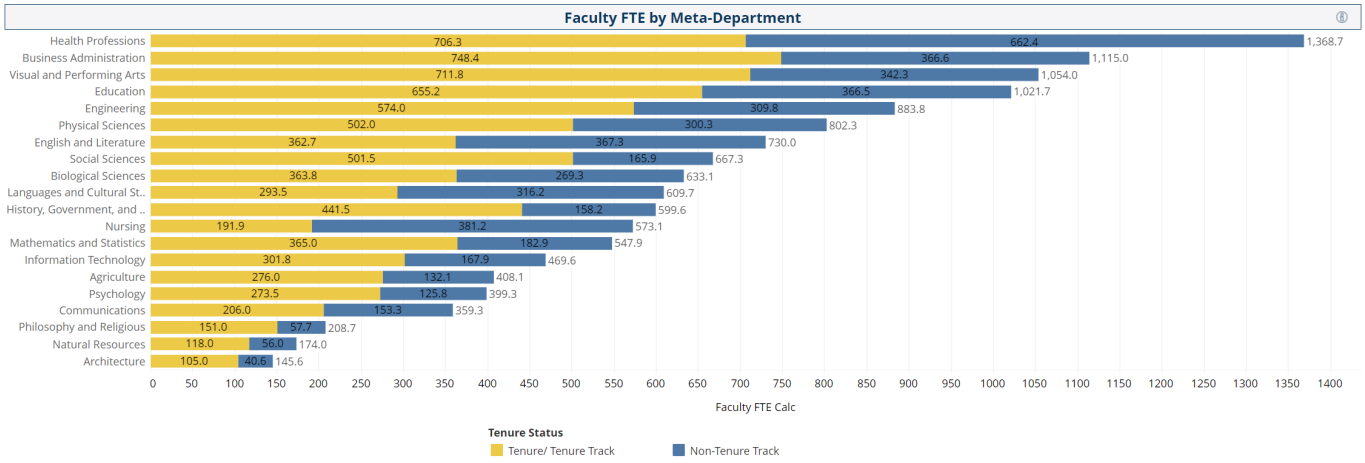


Figure 5: Faculty FTE by Meta-Department (AY 2020 – 2021)

Staff Employed within Each Program

In addition to 12,771 faculty, the UNC System also employs 3,758 staff FTE to support campus academic functions.[16] The counts of staff FTE shown below only include staff directly assigned to a meta-department and do not include teaching assistants, graduate research assistants, or any other type of student worker. The graph below shows that the greatest number of staff are aligned to health professions and agriculture (includes NCSU agriculture extension) meta-departments with each meta-department carrying approximately 500 staff. For more information on the numbers of faculty and staff employed within each program or at each institution within the UNC System please turn to the Institutional Context Dashboard series.

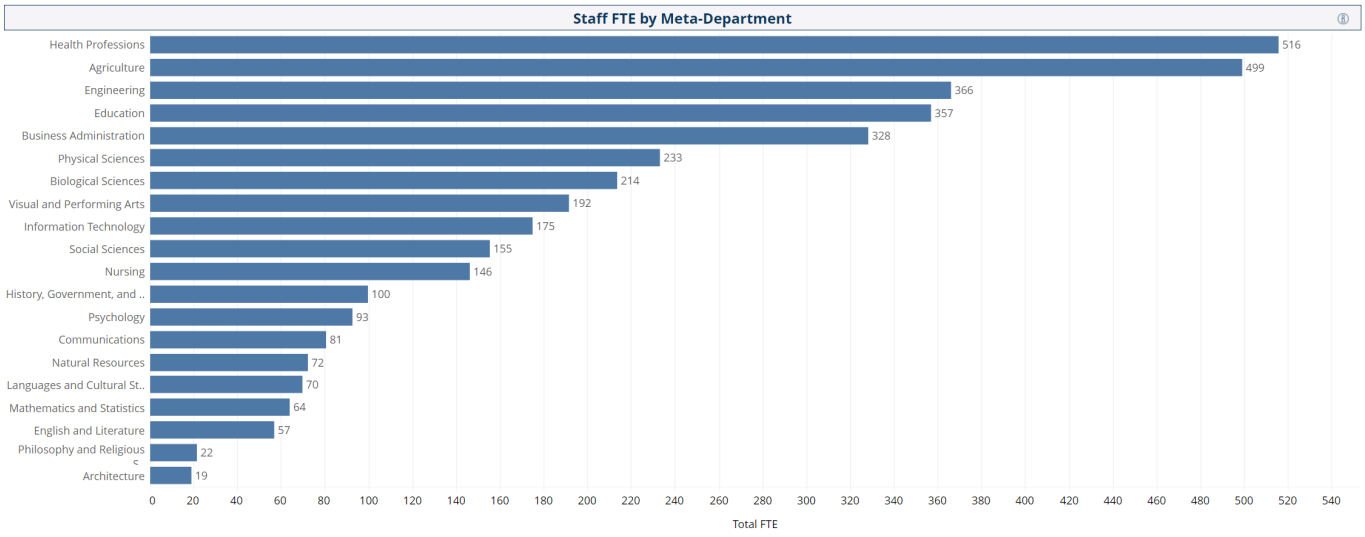


Figure 6: Staff FTE by Meta-Department (AY 2020 – 2021)

3. The Related Instructional Costs to Operate Each Program

In absolute terms, the UNC System directed $4.2 billion of its costs to instruction in Academic Year 2020-2021 inclusive of all direct expenses, academic overheard, and indirect costs (please find a detailed list of assumptions related to these types of costs found in the Dashboard Guide and Analysis section of this report). Of the $4.2 billion

[16] Staff FTE shown here include only staff associated with the delivery of academic programs and exclude large numbers of staff in other administrative roles.

in instructional costs spent in Academic Year 2020-2021, $3.0 billion was directed toward salaries, wages, and benefits for faculty and staff. The remaining $1.2 billion was utilized to cover non-labor expenses such as plant, property, and equipment, scholarships and fellowships, services, supplies and materials, utilities, and other. The table below shows that the Business Administration, Health Professions, Engineering, and Education meta-departments accounted for 37.9% of total instructional costs within the System.

Labor & Non-Labor Expenses by Meta-Department

Meta Dept	Labor Expenses		Non-Labor Expenses						Transfers Out	Grand Total
	Salaries and Wages	Employee Benefits	Plant, Property, & Equipment	Scholarships & Fellowships	Services	Supplies & Materials	Utilities	Other Non-Labor	Inter-Institutional Transfers Out	
Agriculture	$34.4M	$10.8M	$3.2M	$4.5M	$7.4M	$4.1M	$1.1M	$0.9M	$0.6M	$66.9M
Architecture	$25.0M	$7.6M	$1.2M	$3.2M	$3.0M	$1.5M	$0.8M	$0.3M	$0.2M	$42.7M
Biological Sciences	$109.7M	$33.2M	$9.9M	$18.4M	$20.3M	$7.4M	$5.7M	$1.8M	$1.2M	$207.7M
Business Administration	$313.0M	$88.4M	$20.4M	$52.8M	$80.7M	$10.5M	$12.7M	$3.6M	$2.3M	$584.4M
Communications	$60.0M	$18.5M	$4.9M	$12.2M	$10.4M	$2.8M	$3.6M	$0.7M	$0.5M	$113.6M
Education	$166.9M	$52.2M	$10.6M	$19.0M	$26.2M	$7.1M	$5.9M	$1.3M	$0.7M	$289.8M
Engineering	$172.1M	$48.1M	$11.4M	$16.5M	$24.5M	$15.7M	$4.2M	$3.1M	$1.8M	$297.4M
English and Literature	$100.1M	$30.9M	$7.7M	$17.7M	$16.4M	$4.0M	$5.3M	$1.5M	$1.1M	$184.9M
Health Professions	$230.0M	$70.0M	$20.4M	$34.4M	$42.1M	$10.5M	$10.4M	$1.9M	$1.2M	$420.9M
History, Government, and ..	$103.1M	$31.5M	$6.5M	$15.6M	$16.3M	$3.5M	$4.6M	$1.6M	$1.6M	$184.3M
Information Technology	$109.4M	$31.5M	$8.1M	$15.6M	$19.1M	$5.4M	$4.7M	$1.3M	$1.2M	$196.5M
Languages and Cultural St..	$91.1M	$29.0M	$6.3M	$18.0M	$15.9M	$3.7M	$5.9M	$1.4M	$1.5M	$172.8M
Mathematics and Statistics	$113.4M	$34.1M	$8.6M	$20.8M	$19.5M	$5.6M	$6.4M	$2.2M	$1.8M	$212.2M
Natural Resources	$25.0M	$7.5M	$1.4M	$4.3M	$3.8M	$1.3M	$1.0M	$0.2M	$0.1M	$44.5M
Nursing	$90.6M	$28.2M	$7.9M	$10.2M	$15.2M	$3.6M	$3.3M	$0.7M	$0.7M	$160.4M
Philosophy and Religious ..	$35.6M	$11.1M	$2.6M	$7.3M	$5.9M	$1.5M	$2.1M	$0.4M	$0.1M	$66.6M
Physical Sciences	$143.9M	$42.0M	$13.1M	$22.3M	$23.5M	$10.2M	$6.7M	$2.2M	$1.4M	$265.5M
Psychology	$79.3M	$23.7M	$6.8M	$15.4M	$15.0M	$3.6M	$4.7M	$1.1M	$0.9M	$150.5M
Social Sciences	$147.0M	$45.5M	$13.1M	$28.2M	$28.3M	$6.4M	$9.3M	$1.6M	$1.3M	$280.9M
Visual and Performing Arts	$144.6M	$45.3M	$10.5M	$20.7M	$22.1M	$6.3M	$6.1M	$1.2M	$0.6M	$257.4M
Grand Total	$2,294.2M	$689.4M	$174.4M	$357.0M	$415.5M	$114.8M	$104.7M	$29.1M	$21.0M	$4,200.1M

Figure 7: Labor and Non-Labor Expenses by Meta-Department (AY 2020 – 2021)

To allow for better comparisons across the System and across programs, the project team normalized the instructional cost data by analyzing program costs on a per credit basis. For academic year 2020-2021, the average cost to generate a credit hour within the UNC System was $769, inclusive of direct costs, academic overhead, and indirect costs. This average cost per credit hour is a slight increase from the observed average cost per credit of $756 in academic year 2019-2020. For more detail on the costs to produce a credit hour within each meta-department or within each university, please see the Institutional Context Dashboard series.

Direct Costs, Academic Overhead, & Indirect Costs by Meta-Department				
Meta Dept	Direct	Academic Overhead	Indirect	Grand Total
Agriculture	$400	$346	$259	$1,004
Architecture	$430	$254	$234	$918
Biological Sciences	$256	$175	$256	$688
Business Administration	$355	$201	$245	$801
Communications	$255	$160	$257	$672
Education	$355	$235	$241	$831
Engineering	$579	$363	$243	$1,185
English and Literature	$250	$155	$262	$667
Health Professions	$287	$233	$249	$769
History, Government, and ..	$313	$182	$255	$749
Information Technology	$328	$242	$242	$811
Languages and Cultural St..	$248	$183	$270	$701
Mathematics and Statistics	$213	$167	$256	$636
Natural Resources	$363	$230	$276	$870
Nursing	$435	$202	$246	$883
Philosophy and Religious ..	$254	$159	$253	$666
Physical Sciences	$330	$197	$251	$779
Psychology	$191	$157	$251	$598
Social Sciences	$190	$186	$252	$628
Visual and Performing Arts	$418	$172	$326	$916
Grand Total	$311	$204	$255	$769

Figure 8: Cost per Credit Composition by Meta-Department (AY 2020 – 2021)

4. A detailed correlation between degree of study and career roles and associated expected starting compensation, as well as expected career earnings

To understand the correlation between degree of study and career roles, the team sought to analyze what proportion of UNC bachelor's degree recipients have received jobs aligned to their field of study at key time intervals post-graduation (1 year, 3 years, and 7 years). The proportion of UNC bachelor's degree recipients in jobs aligned to their degree of study was then compared to the national proportion of bachelor's degree recipients in jobs aligned to their degree of study. As displayed in the chart below, students considering attending or already enrolled within a UNC System institution can estimate the likelihood of entering into a career aligned to their field of study through the Student ROI Dashboard series. What is also compelling about the data is that the UNC proportion of graduates with careers aligned to their field of study closely mirrors that of the national proportion of graduates. As expected, programs of study that are highly specialized toward specific jobs like Health Professions, Engineering, and Business all show a high likelihood (greater than 90%) of graduates entering a field closely aligned to their field of study within one year of graduating. Of the 21 fields of study shown in the chart below[17], graduates of 17 of the programs have a 50% or higher chance of entering a career aligned to their program of study within one year, which closely follows the national trend. Moreover, the data show that three- and seven-years post-graduation, there is even greater degree of alignment between the program of study and the field of employment. Although it is common for students to choose career paths outside their field of study, these data suggest that students who do choose a career centered around their field of study have the required skills for success in that career.

[17] Liberal arts/non-professionally focused CIP codes have been excluded from the Program of Study to Employment Alignment metric. These excluded CIP codes include Communications, Journalism, and Related Programs: Foreign Languages, Literatures, and Linguistics; English Language and Literature/Letters; Liberal Arts and Sciences, General Studies, and Humanities; Multi/Interdisciplinary Studies; Philosophy and Religious Studies; and Social Sciences and History.

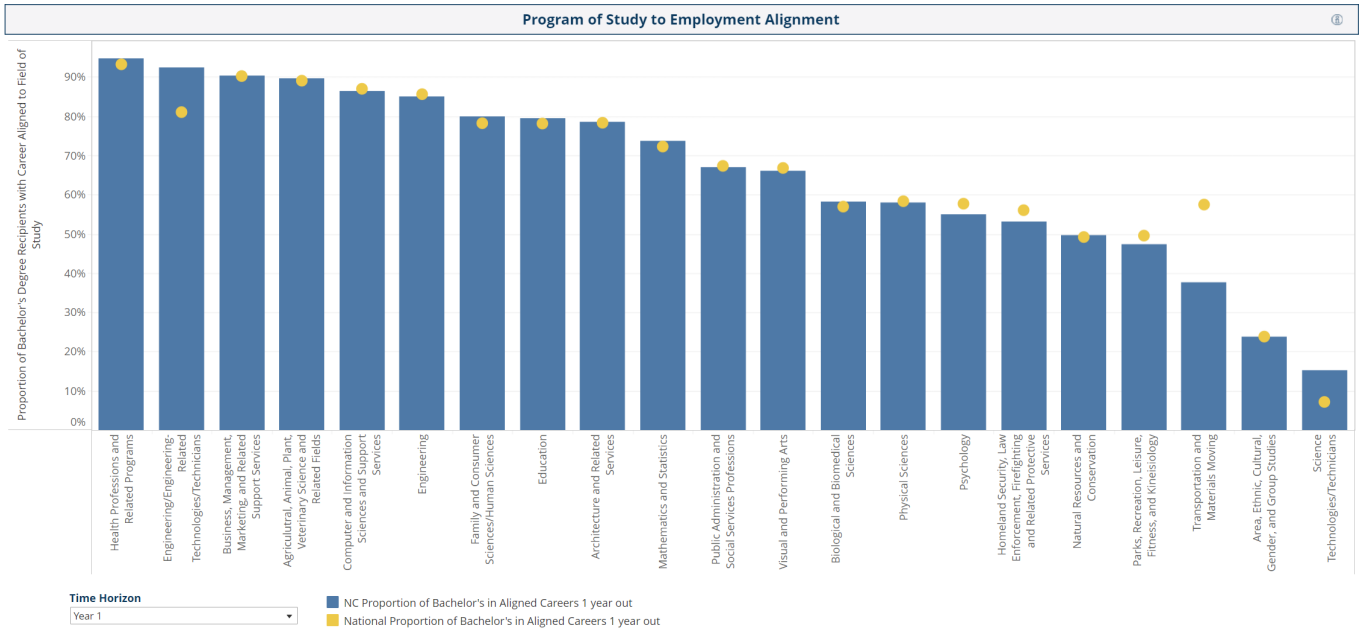


Figure 9: Undergraduate Program of Study to Employment Alignment One Year Post-Graduation

In addition to showing the program of study to employment alignment, this analysis also forecasts the median compensation of graduates during each year of their careers (including median starting compensation). From this calculation, we can determine graduates' cumulative lifetime earnings (for both undergraduate and graduate degrees) depending on their field of study. These calculations are shown in the illustrative equations below. The calculations utilize comparison groups to determine the incremental earnings and true ROI. The comparison group leverages ACS data. Undergraduate students are measured against ACS data for individuals with some college/no degree or no college while graduate students are compared against those with a bachelor's degree in the same field of study. The data below show that undergraduate degree holders from the UNC System can estimate that they will earn $572,544 more over the course of their careers than individuals who did not earn a college degree, while graduate degree holders will earn $997,918 more than individuals with a bachelor's degree but no graduate degree. For nearly undergraduate fields of study that the UNC System offers, graduates in aggregate can expect to make at least $200,000 more over the course of their careers than other individuals in North Carolina (ACS dataset) that did not receive a college education.

Undergraduate lifetime earnings

Median Lifetime Earnings with College Degree		Median Lifetime Earnings without College Degree		Calculated Incremental Lifetime Earnings
$1,232,747	−	$660,203	=	$572,544

Graduate lifetime earnings

Median Lifetime Earnings with Graduate Degree		Median Lifetime Earnings without Graduate Degree		Calculated Incremental Lifetime Earnings
$2,121,535	−	$1,123,617	=	$997,918

5. Detailed ROI for Each Program

As each of the sixteen institutions considers resource allocation differently (e.g., distinct budget models and funding formulas), the project team defined the ROI for each program as the academic outcomes that result from investments

in instruction. The three means of measuring programmatic ROI for this study are two measures of academic production, namely, student credit hours generated and degrees conferred coupled with the economic ROI for students (i.e., a student's lifetime earnings less the investment required to complete the degree). While academic production is detailed below, student ROI is outlined in the Student ROI Dashboard series. In total for Academic Year 2020-2021, the UNC System generated approximately 5.5 million student credit hours and conferred 57,153 degrees across the 20 meta-departments.[18] The graphs show credit hours and degree completers for each meta-department arranged in descending order.

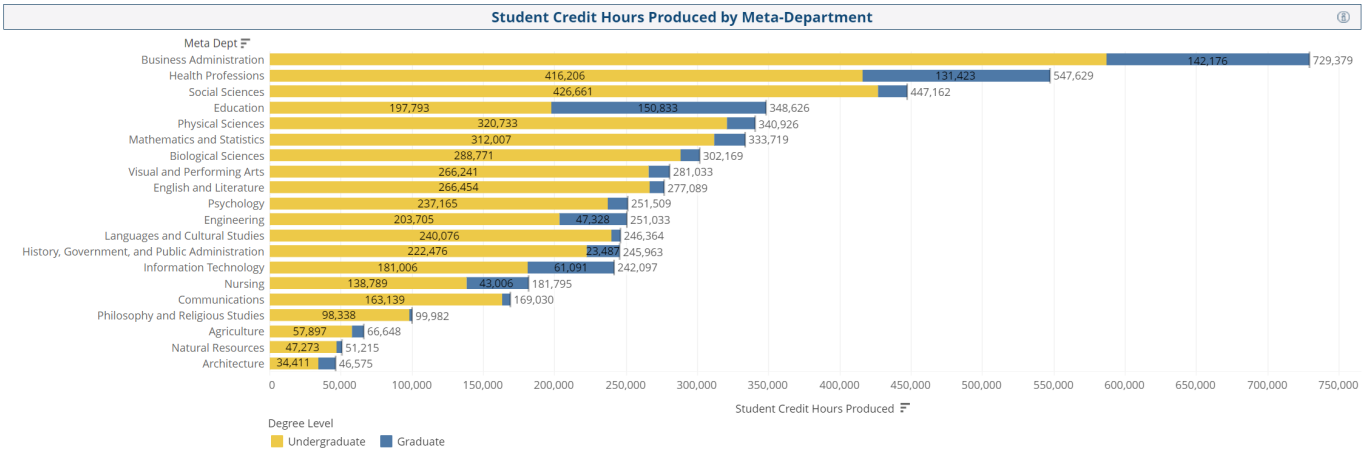


Figure 10: Student Credit Hours Produced by Meta-Department (AY 2020 – 2021)

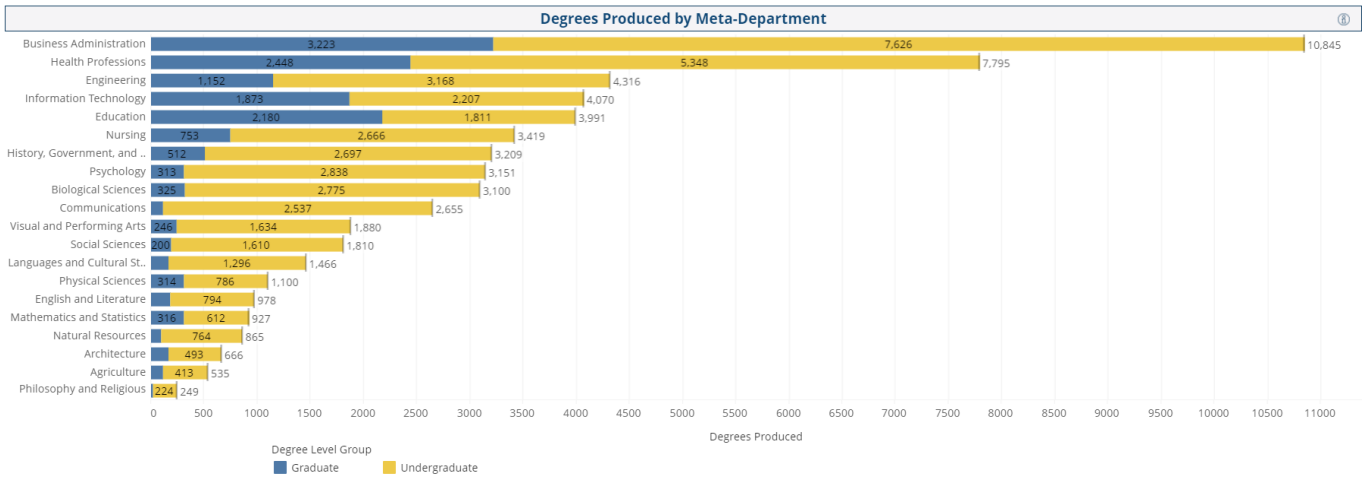


Figure 11: Degrees Conferred by Meta-Department (AY 2020 – 2021)

6. ROI for State Funding Expenditures

The ROI for State funding expenditures is defined as the incremental lifetime earnings of UNC graduates per incremental State appropriation dollar. The equation below shows that for Academic Year 2020-2021, a student's lifetime earnings increased $23.07 *for every dollar* of incremental State support.[19] This additional income or purchasing power for North Carolina graduates flows into the State economy, producing monetary benefits from

[18] Student credit hours produced and degrees conferred exclude the Military Science and Technology meta-department, associate's degrees, and the following terminal degrees: Dentistry, Medical, Veterinary, Pharmacy, and Law.

[19] Incremental state support utilizes the per credit hour rate at which the General Assembly funds new credit hours at an institution. It does not dictate how the appropriation is spent and therefore does not align to the institutions operating cost amounts.

increased taxes, spending power, and societal benefits from community and charitable contributions. More detail regarding these calculations can be found within the State ROI dashboard series.

7. ROI for Student Funding Expenditures

After analyzing UNC graduates' incremental lifetime earnings against comparison groups and the graduates' total investment in their college educations (less any gift aid), the true return on investment for earning a degree within any institution and any program in the System can be calculated. As shown below, the UNC System across all 16 institutions has demonstrated the value of higher education as undergraduate and graduate program graduates each see sizable returns on their investments. Moreover, the returns on investment for students who paid higher tuition for their education as out-of-State students are still significant. The illustrative equations below show that UNC System bachelor's degree holders will earn a return on their investment of $494,091 while graduate degree holders will see an ROI of $930,515. More detail regarding these calculations can be found in the Student ROI dashboard series.

Undergraduate Student ROI

Graduate Student ROI

Dashboard Guide and Analysis

The analysis conducted by Deloitte, rpk GROUP, and BGI is arranged into three separate dashboards each showing a different stakeholder's perspective of ROI. The dashboards and the types of analysis that are included within each is shown below.

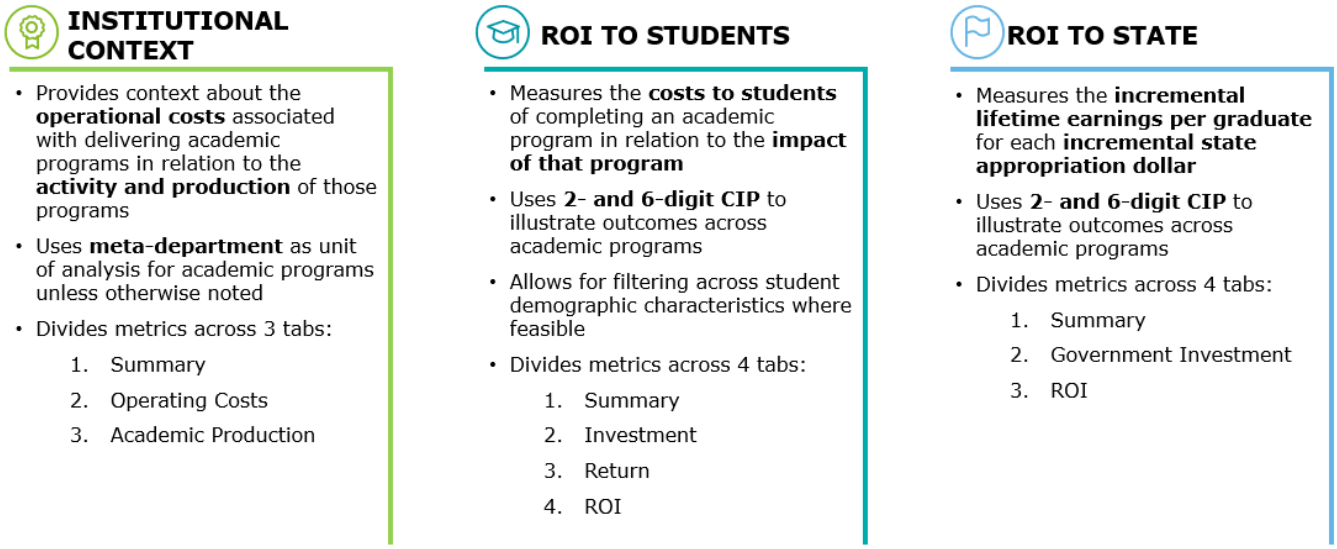


Figure 12: Dashboard Summaries

Institutional Context Dashboards

The Institutional Context Dashboard seeks to understand the investment that the UNC System makes to provide a world-class education to its students and how those investments translate into measurements of academic production, namely student credit hours and degrees conferred.

The Institutional Context Dashboard begins with summary descriptive statistics about the UNC System's constituent universities before exploring the costs to operate each program at each institution and ultimately demonstrating the level of academic production from each institution. Before reviewing the data in the dashboards, it is important that we define the metrics and clearly state the assumptions used to complete the analysis.

The following assumptions underlie the Institutional Context Dashboard analysis:

1. Constituent Universities. All 16 universities that comprise the UNC System are included in this analysis. Please note, however, that UNC affiliates (UNC Health, PBS North Carolina, The North Carolina Arboretum, The University of North Carolina Press, The North Carolina State Education Assistance Authority) and UNC high school students (e.g., North Carolina School of Science and Mathematics) are considered out of scope. Additionally, associate's degrees and the following terminal graduate degrees have been excluded: Dentistry, Medical, Veterinary, Pharmacy, Law.

2. Programs. The constituent universities of the UNC System do not track or record costs at the program level, but instead tie expenses to departments. Programs can be consistently connected using a standard coding, but departments, academic structures, and business practices related to booking expenses vary significantly across institutions. This variation makes it difficult to assume that a department at one institution aligns with a department at the other 15 institutions even if the departments carry the same name. As such, to assess "programs," meta-departments were used to better align departments across the 16 institutions in the UNC System. "Meta-

departments" are high-level department classifications that are standardized across all institutions and used to complete the analysis. All individual departments at member institutions are mapped to a meta-department based on a comprehensive methodology developed in partnership with the institutions. While department names may not map one-to-one, each department has been accounted for and bucketed into one of the 20 meta-departments. The Military Science & Technology meta-department has been excluded from this analysis to reflect that this meta-department is partially driven by ROTC courses, which carry externally funded faculty and staff.

3. Expense Inclusions and Exclusions. The universe of expenses included in the analysis focuses on non-federal Unrestricted and General Funds, as well as non-Grant & Contract restricted funds, to enable the analysis to focus on the cost of program delivery across the UNC System at the meta-department level.

- Funds included in the analysis include General Fund - State Appropriations and Tuition Receipts, General Fund - Other State Receipts, General Fund – Other, Overhead Receipts, Unrestricted Contracts, Unrestricted Endowment Income, Other Institutional Trusts, Restricted for Departmental Use, Restricted for Specific Programs, Restricted Other, Restricted Professorships, Restricted Research Non-C&G, Restricted Scholarships and Fellowships, and Restricted Institutional Trusts.
- Funds excluded from the analysis include General Fund – Federal, Contracts and Grants - Federal, Contracts and Grants - State and Local, Contracts and Grants - Private, Auxiliary Funds, Loan Funds, Endowment Funds, Independent Operations, Agency Funds, and Plant Funds.[20]
- Expenses associated with the following Program Codes are excluded from the analysis: Area Health Education Centers (AHEC), UNC Center for Public Television, Community Services, MCNC Contract, NC Arboretum, Cooperative Extension Service, Agricultural Research Service.

4. Operating Costs Categories. To properly account for the costs of program delivery, institutional expenses were classified into the following three categories:

- **Direct Costs** are expenses directly labeled as "instruction" or "academic support" (via the "Program Code" in the finance data mart) and booked directly to an academic department, such as salaries for faculty who teach in the department.
- **Academic Overhead Costs** are composed of three expense types and are distributed on a per Student Credit Hour basis to each applicable meta-department. Overhead costs include:
    - Any expenses outside of "instruction" and "academic support" that are booked directly to an academic department, such as equipment purchases made by a department
    - All unallocated College level expenses (e.g., expenses in the College of Arts & Sciences not directly tied to a meta-department)
    - All expenses with "Instruction" or "Academic Support" Program Codes within non-academic units.
- **Indirect Costs** include university-wide expenses which do not tie directly to a meta-department or College and are not coded to "Instruction" or "Academic Support." These can also be described as Institutional Overheard. Indirect costs are applied to meta-departments on a per-credit hour basis and are scaled to reflect the proportion of expenses an Institution uses to support Instruction and Student Services. As with all cost-bucket categories, only those dollars in the included set of Funds, Accounts, and Programs are part of the analysis. These specific exclusions help to identify the dollars the University has discretion over to spend in support of the delivery of academic programs.

Data Sources:

- Financial Data Mart ("FDM")
- Human Resources Data Mart ("HRDM")

[20] Funds here are described in detail for replicability purposes

- Student Data Mart ("SDM")

Summary Dashboard

The first dashboard within the set of Institutional Context Dashboards is a summary dashboard that is intended to present the viewer with a variety of metrics to provide context and a backdrop for the cost metrics housed within the dashboards. The descriptive statistics that are included in the dashboard summary are as follows:

- **Faculty FTE:** FTE numbers are derived using HRDM's FTE definition and are not headcount figures; these totals only include faculty directly assigned to a meta-department.
- **Total Credit Hours Produced:** includes all credit hours except Dentistry, Medical, Veterinary, Pharmacy, and Law.
- **Annual Degrees Produced:** includes all degree types except Dentistry, Medical, Veterinary, Pharmacy, and Law.
- **Average Class Size:** so as not to skew the data, practicums, clinical, internships, field experiences, cooperative education, recitals, performance, ensemble individual study, student teaching, dissertations, and thesis course formats were excluded for the average class size calculation. These smaller course sizes account for approximately 5% of all student credit hours produced.

After providing the summary statistics, the dashboard takes the viewers through analyses of the costs linked to each meta-department before demonstrating the level of academic production that occurs from those expenditures.

Operating Costs Dashboard

A key mandate from the General Assembly for this study was to examine the instructional operating costs of each program within the UNC System. When looking across the UNC System, the analysis finds that the average cost per credit hour to operate each meta-department is $769, which includes direct costs, academic overheard costs, and indirect costs. Engineering serves as the range high at $1,185 per credit and Psychology serves as the range low at $598. In aggregate, this translates to $4.2 billion in resources directed toward instruction across the 16 institutions. The chart below shows each meta-department's average cost per credit, inclusive of direct costs, academic costs, and indirect costs.

Direct Costs, Academic Overhead, & Indirect Costs by Meta-Department

Meta Dept	Direct	Academic Overhead	Indirect	Grand Total
Psychology	$191	$157	$251	$598
Social Sciences	$190	$186	$252	$628
Mathematics and Statistics	$213	$167	$256	$636
Philosophy and Religious ..	$254	$159	$253	$666
English and Literature	$250	$155	$262	$667
Communications	$255	$160	$257	$672
Biological Sciences	$256	$175	$256	$688
Languages and Cultural St..	$248	$183	$270	$701
History, Government, and ..	$313	$182	$255	$749
Health Professions	$287	$233	$249	$769
Physical Sciences	$330	$197	$251	$779
Business Administration	$355	$201	$245	$801
Information Technology	$328	$242	$242	$811
Education	$355	$235	$241	$831
Natural Resources	$363	$230	$276	$870
Nursing	$435	$202	$246	$883
Visual and Performing Arts	$418	$172	$326	$916
Architecture	$430	$254	$234	$918
Agriculture	$400	$346	$259	$1,004
Engineering	$579	$363	$243	$1,185
Grand Total	$311	$204	$255	$769

Figure 13: Cost per Credit by Meta-Department (AY 2020 – 2021)

As a reminder, due to the customized methodology, availability of data that is far more granular than what is available from federal sources, and some institution-specific decisions regarding inclusion/exclusion of funds, it would be inappropriate to compare the costs to produce a credit found here with other studies within higher education. Similarly, the average cost per credit focuses solely on instruction (research and public service are excluded) and should not be compared one-to-one to the tuition rates of the constituent universities. Each institution within the System utilizes State appropriation dollars, tuition revenue, and other sources of revenue that faculty and staff source to support funding for teaching and learning, thus making tuition rate an unequal comparison to the instructional cost to produce credits.

Although ample information can be gleaned from analyzing each meta-department individually, the academic offerings of the UNC System or of each individual institution should be thought of as a portfolio of programs. Through a portfolio approach, the System or each university should seek to understand and stay informed of the drivers of costs rather than simply trying to minimize costs. To illustrate this, note that, in the graph below, Engineering stands out as an expensive program to operate. Given these high costs relative to the other programs, one may be led to believe that Engineering programs are somehow inefficient, but the costs of Engineering may be high for any number of reasons, which could include sizable investments aligned with a growth strategy, the need for specialized equipment, high proportions of tenured faculty to non-tenured faculty, etc. While it is always beneficial to look for ways to improve productivity, when conducting a cost to educate analysis, it is important to identify what drives costs and to understand that many programs have different cost structures.

Breaking down costs by meta-department across institutions can lead to valuable discussions about the internal economy of each institution and how academic leaders seek to guide and shape their academic portfolios. When examining the academic portfolio, deans and other academic leaders may consider the following questions among others:

For high-cost programs:

- Do we understand and are we comfortable with the drivers of costs?
- Do we have lower-cost programs that can reasonably subsidize high-cost programs in a sustainable manner?

- Is enrollment or student credit hour production falling, possibly creating the need for further subsidization?
- Are these programs critical to the mission of the institution (e.g., necessary for providing general education requirements)?
- Do these programs meet a specific need within the workforce?
- Do these programs offer the institution a clear competitive advantage?
- Do these programs generate additional supplemental revenue (e.g., ticket sales, lab fees, program fees)?

For low-cost programs:

- What can be learned from programs with low costs and potentially applied to programs with higher costs?
- Are the low costs due to operational efficiencies or might they signal deteriorating quality?
- Is revenue growing in these programs such that they can effectively subsidize higher cost programs?
- Is there demand for these programs? Is enrollment growing? Have we tapped the right student populations and marketing channels?

The questions above do not consider the program's costs in isolation, but rather consider student credit hour production, market demand, faculty productivity, revenue generation, and a range of other factors. As such, the Institutional Context Dashboards include many of these factors to present a holistic view of the instructional costs to operate each program so each institution can make data-informed decisions to guide and adjust their academic portfolios as needed.

Academic Production Dashboard

As mentioned in the previous section, the UNC System expended $4.2 billion on instruction in Academic Year 2020-2021, which includes the expenses for 12,771 faculty and 3,758 staff. With that investment, the System produced 5.5 million student credit hours with each faculty member producing 428 credits on average. In addition to the student credit hours produced, the System also conferred 57,240 degrees, with Business Administration serving as the most popular field of study with 10,876 degrees closely followed by Health Professions with 7,831 degrees. In total, Health Professions and Business Administration accounted for 32.7% of all degrees and 23.4% of all student credit hours produced.

As part of the legislative State mandate, the project team calculated the total number of credit hours produced by each program and the number of faculty and staff housed within each program. From these data, the team then calculated the average student credit hours produced per faculty FTE. Below is a table that shows the average credit hours produced per faculty FTE arranged in descending order with Social Sciences faculty FTE producing 670 student credit hours per year on average at the higher bound and Agriculture FTE producing 163 student credits hours per FTE on average at the lower bound.

Meta Dept	Total Student Credit Hours Produced	Faculty FTE Calc	Student Credit Hours Produced per Faculty FTE
Social Sciences	447,162	667	670
Business Administration	729,379	1,115	654
Psychology	251,509	399	630
Mathematics and Statistics	333,719	548	609
Information Technology	242,097	470	516
Philosophy and Religious ..	99,982	209	479
Biological Sciences	302,169	633	477
Communications	169,030	359	470
Physical Sciences	340,926	802	425
History, Government, and ..	245,963	600	410
Languages and Cultural St..	246,364	610	404
Health Professions	547,629	1,369	400
English and Literature	277,089	730	380
Education	348,626	1,022	341
Architecture	46,575	146	320
Nursing	181,795	573	317
Natural Resources	51,215	174	294
Engineering	251,033	884	284
Visual and Performing Arts	281,033	1,054	267
Agriculture	66,648	408	163
Grand Total	5,459,944	12,771	428

Figure 14: Student Credit Hours Produced per Faculty FTE by Meta-Department (AY 2020 – 2021)

There can be a range of reasons why the average credit hours produced per FTE in one meta-department may be higher than that of another meta-department. Some programs, such as the hard sciences, require smaller lab sessions, whereas other courses (e.g., college algebra), can be effectively taught in large lecture halls. Other potential reasons for variation in student credit hours per faculty FTE could include average section size, program growth trends, the ratio of tenure track vs. non-tenure track faculty, and academic course load policies, among other factors. In addition to instruction, faculty at universities across the UNC System have numerous responsibilities and dedicate their time to activities that include research, public service, academic advising, administrative functions, running specialized centers, and other institution-specific roles. To accomplish all responsibilities, faculty may receive "course releases" for their assignments outside of teaching, which can lead to variability in the average number of credit hours each faculty produces. Having these data available is a manner by which System leaders, university leaders, deans, and faculty can make long-term strategic decisions to benefit all stakeholders.

Student ROI Dashboards

The purpose of the Student ROI Dashboard series is to quantify the value of a UNC degree by calculating the expected lifetime earnings of UNC graduates based on their field of study and comparing those earnings to the earnings of individuals who have not received a UNC degree. These incremental lifetime earnings from attainment of the degree are then compared to the student's investment to understand the ROI of a UNC degree from a student perspective.

The following assumptions underlie the Student ROI analysis:

Lifetime Earnings Calculation:

- The goal of the lifetime earnings profiles is to estimate student wages from when a student starts school to when they turn 65. As most students in the sample have not yet turned 65, we must estimate what their future wages will be. To do so, the Burning Glass methodology:
    - Uses data from the UNC system and the American Community Survey (ACS) to create generic wage profiles for workers aged 18 to 65 based on demographics (sex, race, and ethnicity) and schooling (degree level attempted, if degree was attained, major, and school). The following steps detail how these generic wage profiles are created:
        - UNC wage data is used for workers aged 23-40 and for these ages, the 1st to 99th percentile for each demographic/schooling group was identified to approximate the overall distribution of wages. As wage data for younger ages are scarce and can be unreliable, wages

for ages 18-22 and all pre-graduation wages are imputed as a function of the estimated time four-year students work while in school multiplied by the North Carolina minimum wage.

- For ages over 40, wage observations exist but are earned by non-traditional students who graduated later in life. Thus, these wages are noticeably lower that other students' wages. Instead of these wages, North Carolina wage profiles from ACS are used. These data are organized such that a 1st – 99th percentile distribution of wage profiles for each demographic and schooling group for ages 41-65 can be created. To match the wage levels seen in the UNC data, the wage ratio at age 40 between the UNC and ACS data is applied to every age afterwards.

- The generic wage profiles are used to estimate missing wage observations within the dataset. For each year after graduation, a worker's observed wages are compared to others in the same age/demographic/schooling bucket to assign the wages a percentile ranking. The average percentile rank observed is then applied to all future missing wages creating a wage profile for every worker that is a combination of actual wages and imputed wages.
- To arrive at discounted lifetime earnings, the wages starting from the age of enrollment are summed, discounting each year by 3% to place all wages in present value. All wages are in real 2021 dollars.

ACS Counterfactual Calculation:

- The goal of the ACS counterfactual is to use worker wages in the American Community Survey (ACS) from North Carolina as the counterfactual for UNC graduates to understand the incremental lifetime earnings of a UNC graduate.
- For UNC graduates with a bachelor's degree, the relevant counterfactual is workers with a high school diploma or some college.
- For workers with a master's or doctoral degree, the relevant counterfactual is workers with a bachelor's degree.
- Workers are divided into groups based on sex and race/ethnicity. For each group, the median wage at every age 18-65 (first dropping wages less than $100 a year) is calculated.
- To arrive at counterfactual discounted lifetime earnings, all counterfactual wages starting from the age of enrollment are summed, discounting each year by 3% to place all wages in present value terms.

BGI Counterfactual Calculation for Bachelor's Degrees:

- The goal of the BGI counterfactual for bachelor's degrees is to use the wages of students who drop out of UNC schools as the counterfactual for UNC graduates. Specifically, students who enrolled in UNC schools but dropped out within 2 years and never enrolled in another UNC school or attained a BA degree according to National Clearinghouse Data are used. The idea is that, as these students attended the same schools, these workers will have similar observed and unobserved characteristics to students who went on to graduate.
- The rich UNC data also allows the model to control for important factors that are not in the ACS data, such as parental income and high school test scores. Wage profiles of students in the counterfactual sample were calculated using the same methodology outlined in the *Lifetime Earnings Calculation* above.
- To construct a UNC graduate's counterfactual wage profile, a regression is run for each age and school combination to estimate wages based on if the student graduated or not, controlling for demographics (sex, race/ethnicity, etc.), background (FAFSA information, high school test scores, etc.), major, and other observables.
- Then a worker's counterfactual wage for each age is estimated by predicting what their wages would have been if they did not graduate but otherwise had the same observable characteristics.

- To arrive at counterfactual discounted lifetime earnings for each individual worker, all counterfactual wages starting from the age of enrollment are summed, discounting each year by 3% to place everything in present value terms.

BGI Counterfactual Calculation for Graduate Degrees:

- The goal of the BGI counterfactual for graduate degrees is to use the wages of UNC graduates who attain BAs from the same schools and majors but do not go onto grad school in the UNC system as the counterfactual for UNC graduates. A similar process as above is followed to predict counterfactual wages for graduate degree holders, with a few exceptions.
- First, the same background information for graduate students such as FAFSA and high school test scores is not available. Second, instead of comparing wages between graduate degree recipients and those who drop out, wages are compared to individuals who earn a bachelor's but do not enroll in a graduate program within the UNC system. Finally, these analyses are run on the combined group of master's and doctoral degree recipients to ensure a large sample size.
- Once these changes are made, a similar method to above is followed: a regression is run for each age and school combination to estimate wages based on if a student received a graduate degree, controlling for demographics (sex, race/ethnicity, etc.), bachelor's degree (school and major), graduate major, and other observables.
- Estimates are used from these models to determine the counterfactual wage at each age group. Counterfactual wages starting from the age of enrollment are summed and discount each year by 3% to identify the present value.

Student ROI Calculation:

- To calculate return on investment (ROI) for a given counterfactual, the counterfactual lifetime earnings and program costs are subtracted from the actual discounted lifetime earnings.
- Since all wages are already in real 2021 dollars and future wages are discounted to the present, this gives the expected real present value of this program for this student. Program level ROI estimates are calculated using the median values for all students in a program.

The following data sources underlie the Student ROI analysis:

- Dept of Commerce Wage Data
- BGI Proprietary LinkedIn Profile Data
- BGI Proprietary Job Vacancy Postings Data
- UNC Student Data Mart ("SDM")
- American Community Survey Data

Summary Dashboard

The first dashboard within the set of UNC Student ROI Dashboards is a summary dashboard that provides the following descriptive statistics:

- Enrolled students by program of study
- Student composition figures, including degree level, student type, residency, gender, race/ethnicity, full-time vs. part-time status, income band at time of enrollment, high school GPA bands, and the percent of students who purse a single major vs. those with multiple majors
- Degree completers by program of study
- Average time (years) to complete a degree by program of study

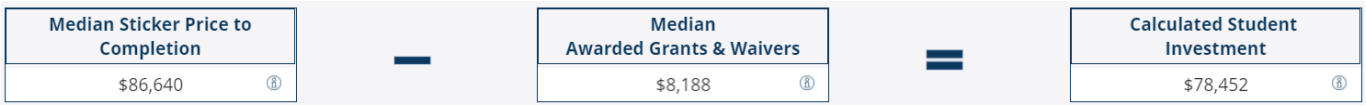
Similar to the Institutional Context Dashboard series, the Student ROI summary dashboard is useful in setting context and allows the viewer to understand the student demographics of a particular institution or of the UNC System as a whole, what degrees are most common, and how long the average student takes to complete a degree.

Investment Dashboard

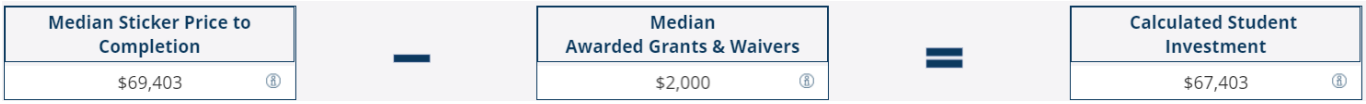
After the summary dashboard to provide descriptive statistics and context, two dashboards follow, one focused on students' "investment" in their education and the other focused on students' "return." These two dashboards both ultimately flow into the final ROI dashboard, which presents the median calculated lifetime return on investment for a student that graduates from the UNC System.

To calculate a student's return on investment for his/her undergraduate or graduate education, the dashboard first explores the median student investment net of aid received. The calculations for the median student investment for both undergraduates and graduates are shown below:

Undergraduate Student Investment (Academic Year 2019-2020):



Graduate Student Investment (Academic Year 2019-2020):



Components of Calculated Student Investment

- **Median Sticker Price to Completion is** defined as the median annual cost of attendance by institution, residency, career, and field of study multiplied by the imputed time to degree. Time to degree is calculated as the average number of fall and spring terms divided by two.
- **Median Awarded Grants and Waivers** outlines the median financial aid (grants, waivers, and other funds) received by all students and does not include loans or work study.
- **Calculated Student Investment**: defined as the median sticker price to completion less the median awarded grants and waivers. This figure represents the costs covered by loans and the assumed cost the student paid out-of-pocket or through private funding. Interest on loans is not included within this calculation but is an added investment outside the bounds of this study.

In the aggregate, the calculated student investment for an undergraduate and graduate degrees in academic year 2019-2020 are reasonably close as undergraduate students' median investment totals $78,452 and the median investment for graduate students total $67,403. While the median total cost of attendance for undergraduate students is higher than that of graduate students, undergraduates on average spend more time earning their degrees and undergraduates also receive median grants and waivers of $8,188 compared to $2,000 for graduate students.

It is advised that when reviewing student investments in education that the dashboard user also reviews the investments for both in-State and out-of-State students separately as tuition rates vary greatly across the two groups. For undergraduates, the net investment for in-State students is $74,366 compared to $142,564 for out-of-State students, an increase of more than $68,000 for the degree. For graduate students, the calculated student investment for in-State students is $58,354 compared to $82,326 for out-of-State students. These figures reported here are in aggregate for all programs and for the entire university System. Nevertheless, the dashboards offer functionality for

the user to enter specific student characteristics (undergraduate vs. graduate; resident vs. non-resident), degree program, and college to better understand the expected level of aid versus the required out-of-pocket expenses.

Return Dashboard

The other key component of the ROI equation is the return or, in the case of this study, the expected lifetime earnings a student can expect by pursuing a particular program at a particular university within the UNC System. Although understanding the lifetime earnings of students is worthwhile, the true value of this ROI calculation is the ability to distinguish between those students that complete degrees at UNC System institutions and those that do not. With data for these two groups, we can calculate the *incremental* lifetime earnings that can be primarily attributed to completing a UNC degree (i.e., earnings above what would be observed for individuals without a UNC degree). To understand the incremental lifetime earnings, the team established two "comparison groups" to measure against that are defined below. For simplicity, all numbers and charts in this report reference the ACS data (unless specifically noted) and UNC non-completers data can be found in the Student ROI Dashboard series.

1. American Community Survey (ACS) Comparison group utilizes the North Carolina wages from the American Community Survey. Undergraduate degree recipients are compared against individuals with "no college" or "some college/no degree." Graduate degree recipients are compared against individuals who have earned a bachelor's degree and no other postsecondary education. The ACS data contains controls for gender and race to measure expected lifetime earnings.

2. UNC Non-Completers Comparison group leverages individuals who enrolled within a specific UNC institution for less than four semesters and did not complete a degree. UNC undergraduate non-completers have not received a bachelor's degree at any other institution but may have received an associate's degree. Non-completers from graduate programs utilize the undergraduate degree completers as the comparison group. The non-completers comparison group uses real UNC profiles so that it can control for incoming academic skills, family income, and other demographic differences in student populations by institution.

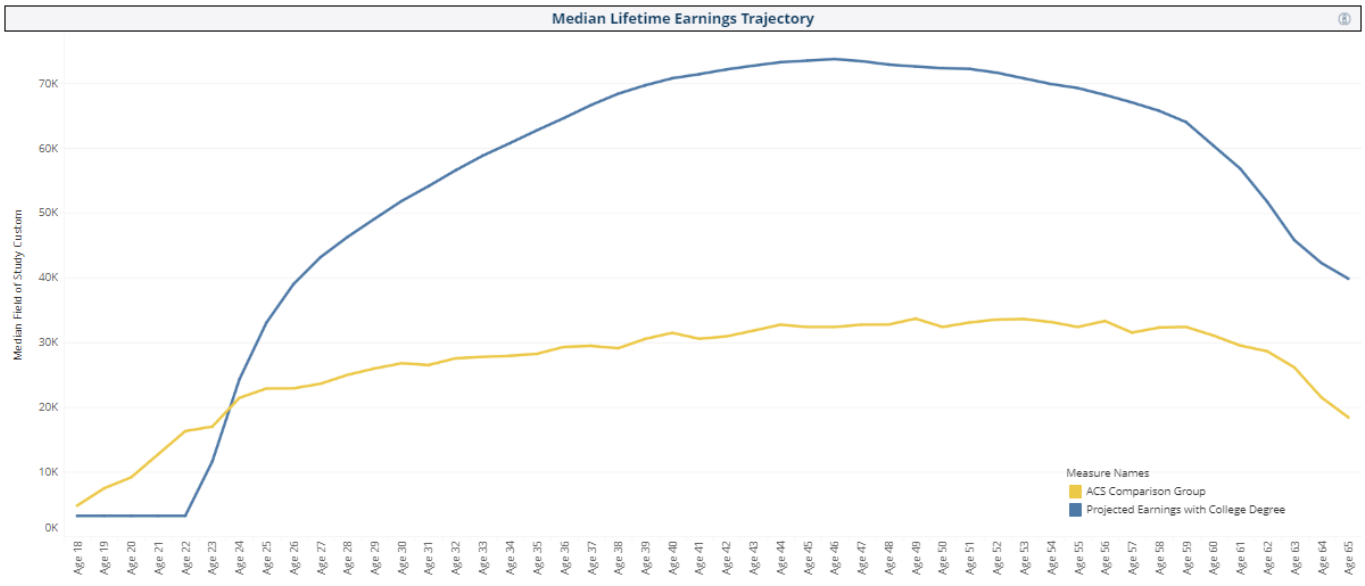


Figure 15: Undergraduate Incremental Lifetime Earnings vs. ACS Comparison Group

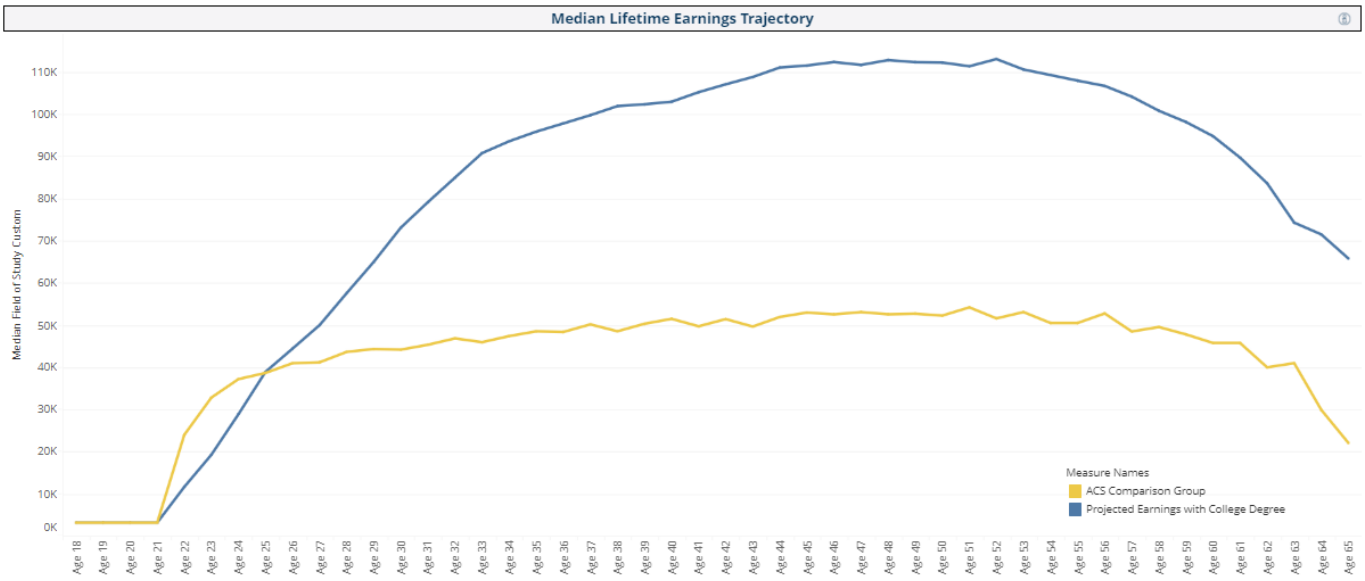


Figure 16: Graduate Incremental Lifetime Earnings vs. ACS Comparison Group

The charts above show that the median bachelor's degree graduate from the UNC System earns approximately $572,544 more than the subset of ACS individuals who did not attend college or attended some college but did not complete a degree (that figure is $303,966 more when comparing to the UNC non-completers). A similar trend holds true for graduate students. Individuals that graduate with a graduate degree from the UNC System are expected to earn approximately $997,918 more (median graduate) than those with only a bachelor's degree ($125,032 more than UNC undergraduate degree holders from the same institution and field of study without a graduate degree).

The incremental differences in lifetime earnings of UNC graduates versus the comparison groups demonstrate the value that a degree from the UNC System holds in the market. Upon graduation from both undergraduate and graduate programs, UNC System graduates earn more than their comparison groups and the gap between the graduates and the comparison groups generally widens as the UNC graduates' careers progress, signifying that not only is the UNC System preparing students to earn higher starting salaries, but the graduates also have critical skills that accelerate the growth curve of their lifetime earnings.

Before subtracting the investment from a graduate's incremental lifetime earnings to calculate the overall return on investment of a college degree from a student perspective, it is important to also note the ability of a UNC degree to provide economic mobility for graduates. The table below shows the degree of economic mobility that undergraduates coming from a household with a gross income of less than $17,800 who graduate from a UNC System university will experience on average 20-years post-graduation. For low-income students (defined here as students with an income of less than $17,800 at time of enrollment), 89.6% experienced some economic mobility meaning they moved up at least one their income band from where they started over a 20-year period. 42.2% of all low-income students rose four income bands leading to a yearly income of $91,300 or greater after 20 years while 65.4% of low-income students rose at least 3 bands to an income of more than $51,800 per year. This data demonstrates that by removing barriers to access, the State of North Carolina and the UNC System have ensured that students from disadvantaged socioeconomic backgrounds have a high likelihood of upward economic mobility if they complete a degree. These dashboards can be a useful tool in the future for students to visualize the long-term benefits of attending a four-year college versus the immediate monetary benefit of entering the workforce after high school.

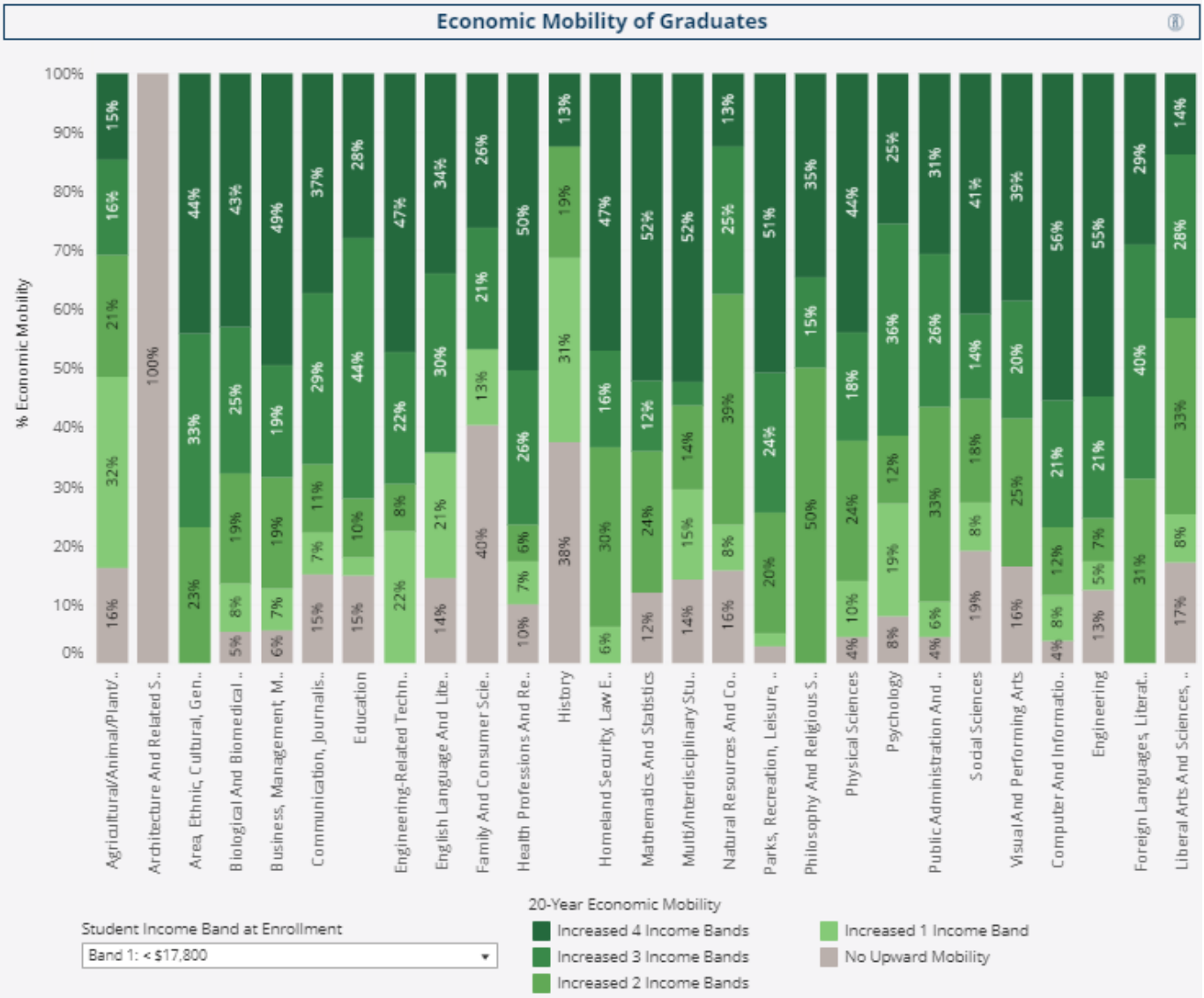


Figure 17: Economic Mobility of Undergraduates Post-Graduation with Income of Less Than $17,800 at Time of Enrollment

Student ROI Dashboard:

The final dashboard of the Student ROI dashboard series details the median ROI that a student can expect from attending a UNC System university and earning an undergraduate or graduate degree.

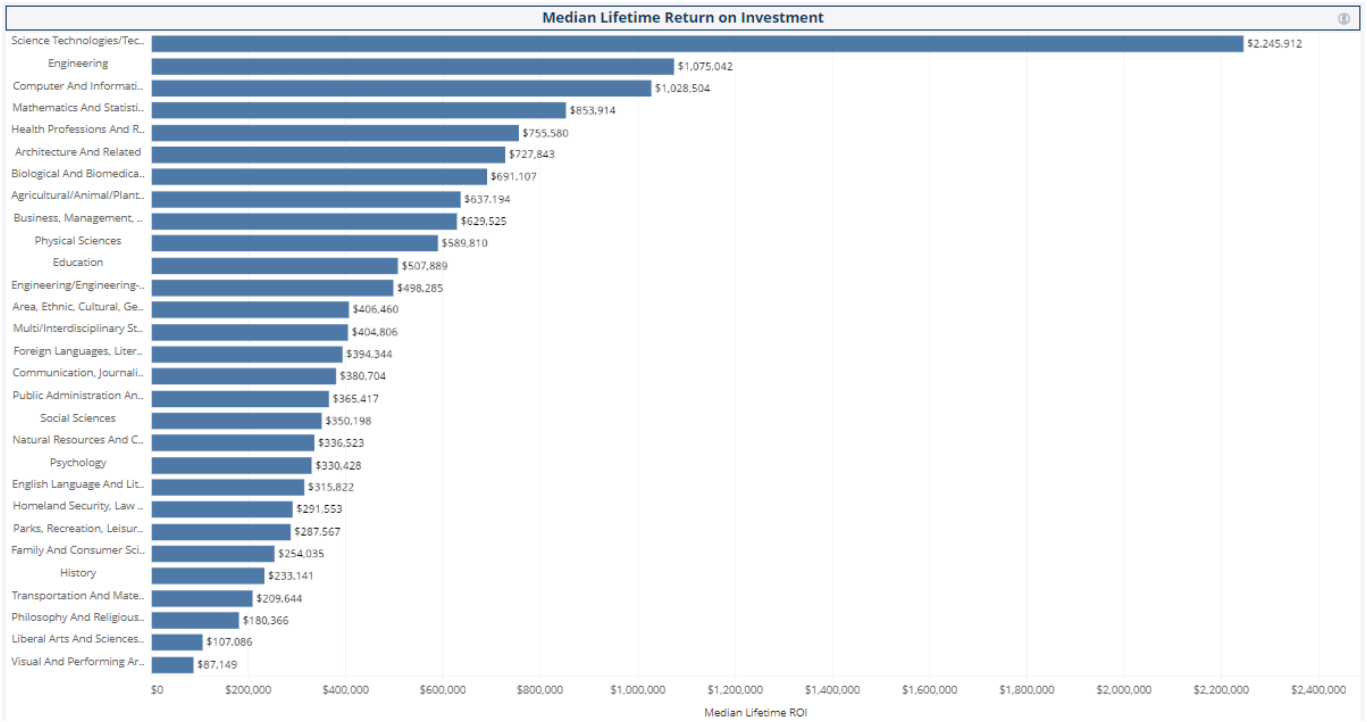


Figure 18: Undergraduate Return on Investment vs. ACS Comparison Group

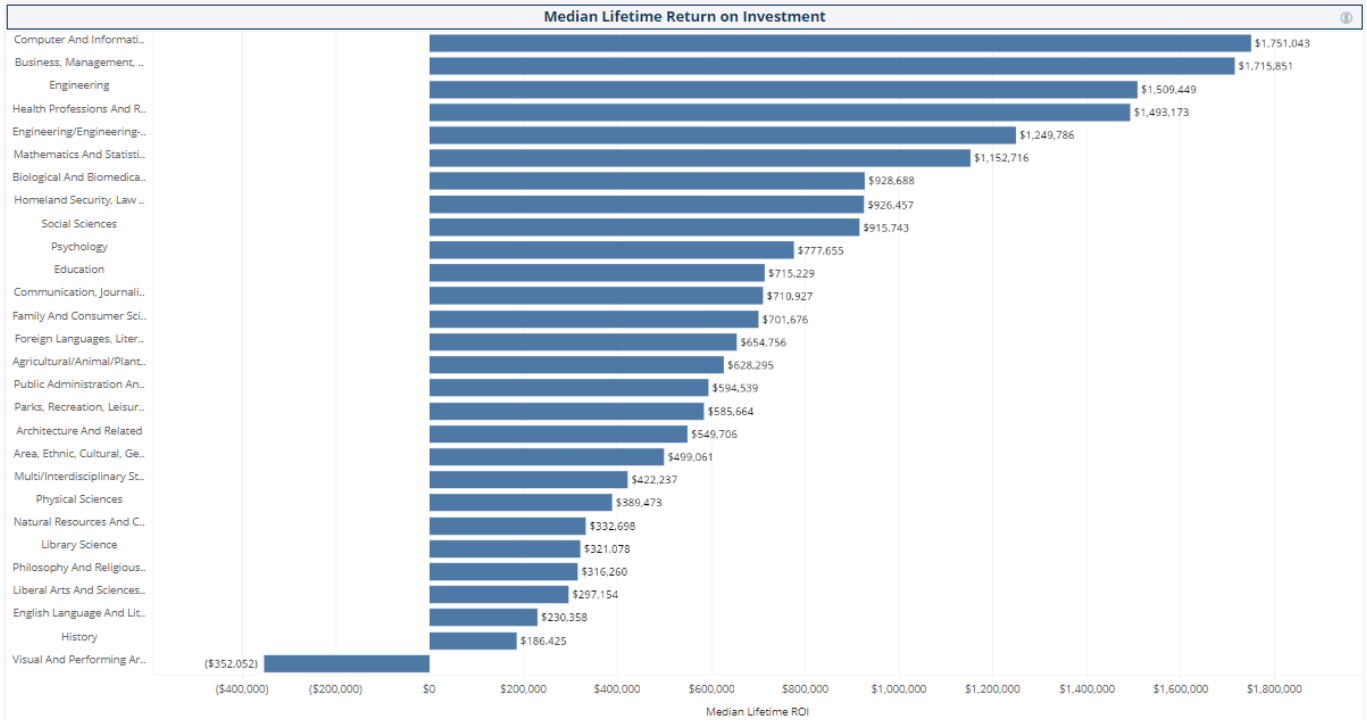


Figure 19: Graduate Return on Investment vs. ACS Comparison Group

Based on the lifetime return on investment of $494,091 for undergraduates ($522,840 in-State; $360,048 out-of-State) and $930,515 for graduates ($960,938 in-State; $399,579 out-of-State), the case for a UNC System education is convincing. Based on the lifetime earnings curves, we see that a UNC System education prepares students for careers in their respective fields as the yearly growth of their earnings exceeds that of the comparison groups. Not only does

the degree assist with job placement out of college, but UNC graduates are able to quickly grow their starting compensation to breakeven in approximately ten years or less for both undergraduates and graduates.

For students choosing to pursue a degree program within the UNC System, this series of Student ROI dashboards could be used to help a student in the future to make data-informed decisions by using real profiles of UNC System graduates. The questions that these dashboards can help a prospective student answer are numerous and include the following:

- What is the value of staying within North Carolina versus pursuing a degree outside of the State?
- How does my net investment in education change for different schools within the UNC System?
- How should I think about saving money in the early stages of my career to afford graduate school?
- Am I more likely to have greater career earnings by working for four years after high school or by attending college?
- How can a college degree change my socioeconomic status?
- How likely am I to get a job in a field aligned to my degree upon or shortly after graduation?

State ROI Dashboards

The purpose of the State ROI dashboard series is to provide an overview of the Return on Investment for the State of North Carolina generated by the 16 institutions in the UNC System. The intent of this State ROI dashboard is not to provide a full economic analysis, but rather ROI is defined as the incremental lifetime earnings a student can expect for each incremental State appropriation dollar. The increased lifetime earnings as a result of State funding for higher education create a plethora of benefits for the State including a higher paid, highly educated workforce, additional tax revenues as a result of increased incomes, more money flowing through the State's economy, creation of jobs and businesses, increases in philanthropy, and increases in community engagement. This dashboard series also provides contextual information on key industry trends, State migration, and high demand occupations.

The following assumptions underlie the State ROI analysis:

- State appropriations are amounts received by the institution through acts of the State legislative body, except grants and contracts and capital appropriations. These funds do not include any additional COVID-related funding.
- BGI's proprietary job vacancy data is used to characterize current demand for workers. We assume demand for undergraduate workers comes only from job postings that specify a bachelor's degree. Projected demand utilizes UNC Statewide employment projections for each field of study. To determine the projected demand for workers with a Bachelor's, the NC Statewide employment estimate is multiplied by the proportion of workers within a field of study required to have a Bachelor's. The percent of jobs within each field of study requiring a bachelor's is determined by using federal statistics (ONET data). LinkedIn profile data is utilized to model occupations of graduates after degree completion by field of study.
- Incremental cost per graduate was determined using the State incremental SCH funding formula. The incremental SCH funding formula is the funding rate by which the State allocates appropriation dollars based on changes in student credit hours produced in addition to the base appropriation. In order to estimate the cost per graduate to the State, undergraduate students were assumed to complete 33% of institutional credits across departments to fulfill general education requirements. These credits were assessed at a rate using a weighted per credit average cost across all fields of study per institution. 66% of undergraduate credits were assessed at the rate tied to the student's field of study. 100% of credits for graduate students were assumed at the rate of their field of study.

- Due to data limitations, the Education Occupational Group has been excluded from the industry supply and demand graphics.

The following data sources underlie the State ROI analysis:

- Dept of Commerce Wage Data
- BGI Proprietary LinkedIn Profile Data
- BGI Proprietary Job Vacancy Postings Data
- UNC System Historical State Appropriation Funding Data
- ONET Data
- UNC Student Data Mart
- UNC Statewide Employment Estimate
- The Integrated Postsecondary Education Data System

Summary Dashboard

The summary dashboard of the State ROI Dashboard series provides an overview of how UNC System fields of study align with the demands of the workforce through answering key questions such as:

- What is the employment share for a given occupational employment group (2020 data)?
- What percent of job postings are in a given occupational employment group (2020 data)?
- For each occupational employment group, will employment increase or decrease by 2030?
- How many job openings exist in a specific occupation compared to all job openings in North Carolina?
- Does the supply of UNC degree completers align with the occupational demand as measured by job postings?
- How does the supply of UNC degree completers align with occupational demand measured by employment?
- What are the most common fields of study for employees within a certain industry?

To demonstrate an example of how these questions can be answered, “Business and Financial Operations Occupations” has been selected as the industry of employment from a comprehensive drop-down menu within the dashboards and is shown in the graph below as the dark blue circle. The bubbles shown in the graph represent the various occupational groups within North Carolina and the size of the bubble corresponds to the number of people employed within that occupational group. From this summary view, the dashboard viewer can place the employment numbers for Business and Financial Operations, our selected example, in context with the employment share of other occupational groups in North Carolina and see that Business and Financial Operations is one of the largest occupational employment groups along with Management Occupations and Sales and Related Occupations.

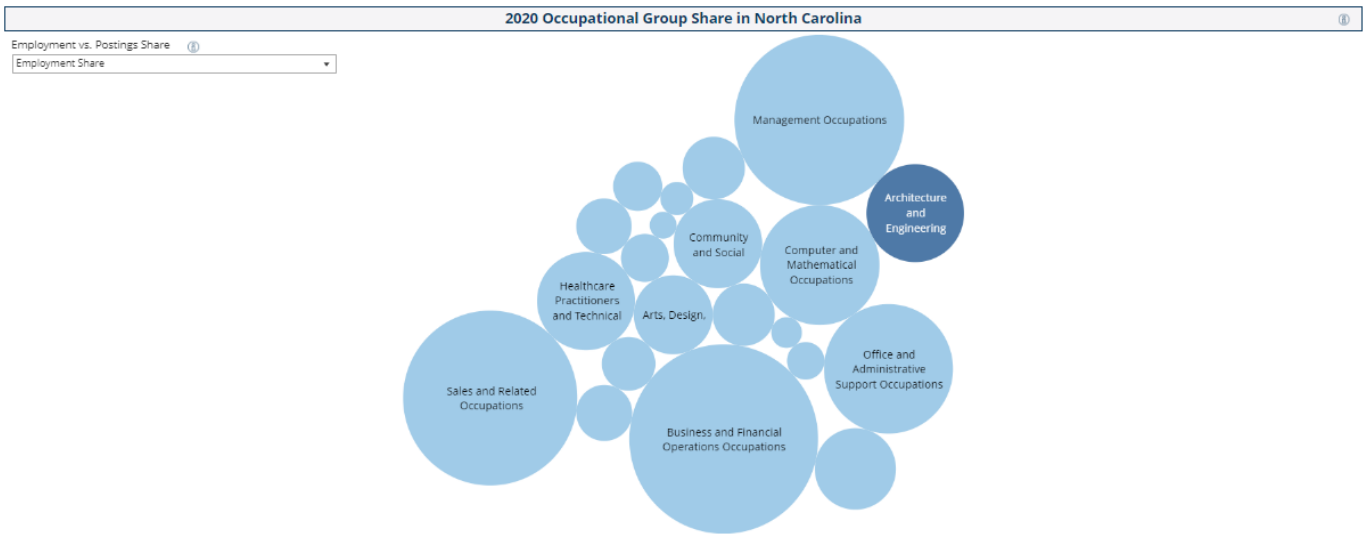


Figure 20: Share of Employment by Occupational Group (2020)

Although, Business and Financial Operations is in-demand now (2020 data), students beginning to explore college and deans and academic leaders planning their curricula and approach to programming will want to understand if the field will be in demand in the future. The summary dashboard provides an estimate of the expected growth/decline in the share of the North Carolina market by Occupational Group from 2020 to 2030. The yellow bars display the current employment share of each occupational group now (aligned with the bubble chart above) and the blue bars show the projected employment share in 2030. These data are based on projections by the US Department of Labor, utilize North Carolina Statewide Occupation data, and are limited to jobs requiring a bachelor's degree. Education is not included as an Occupational Group due to limited data availability. With the chart below, the dashboard viewer can see that Business and Financial Operations Occupations has the largest share of employment now at 18.6% and is expected to grow its employment share to 19.1% by 2030.

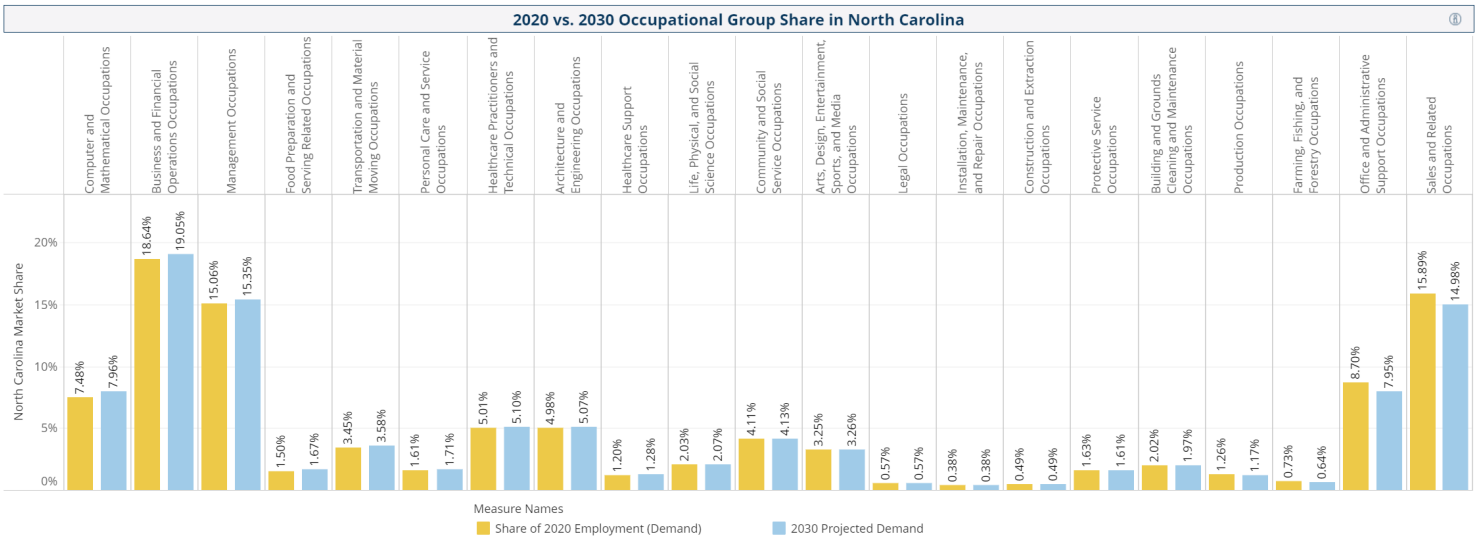


Figure 21: Employment Share by Occupation Group in 2020 vs. Expected Employment Share in 2030

Given that Business and Financial Operations is such a large part of the job market and demand is expected to increase over a ten-year time horizon, the General Assembly and the leaders of the UNC System and its universities will also want to understand if the supply of graduates from the UNC System is aligned to the demand of the job

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market across each occupational group. The graph below looks at the supply of graduates versus the demand of North Carolina jobs. In this case, the supply is measured as the proportion of UNC System degrees by CIP code (major) while demand is measured as the proportion of job postings by occupational group in North Carolina. Continuing with the example of Business and Financial Operations, 12% of all students graduating from UNC receive degrees in a CIP code aligned with Business and Financial Operations while 12% of all new job postings requiring a bachelor's degree are in the Business and Financial Operations occupational employment group. This finding signifies there is alignment between the supply of graduating students and the demand in the job market.

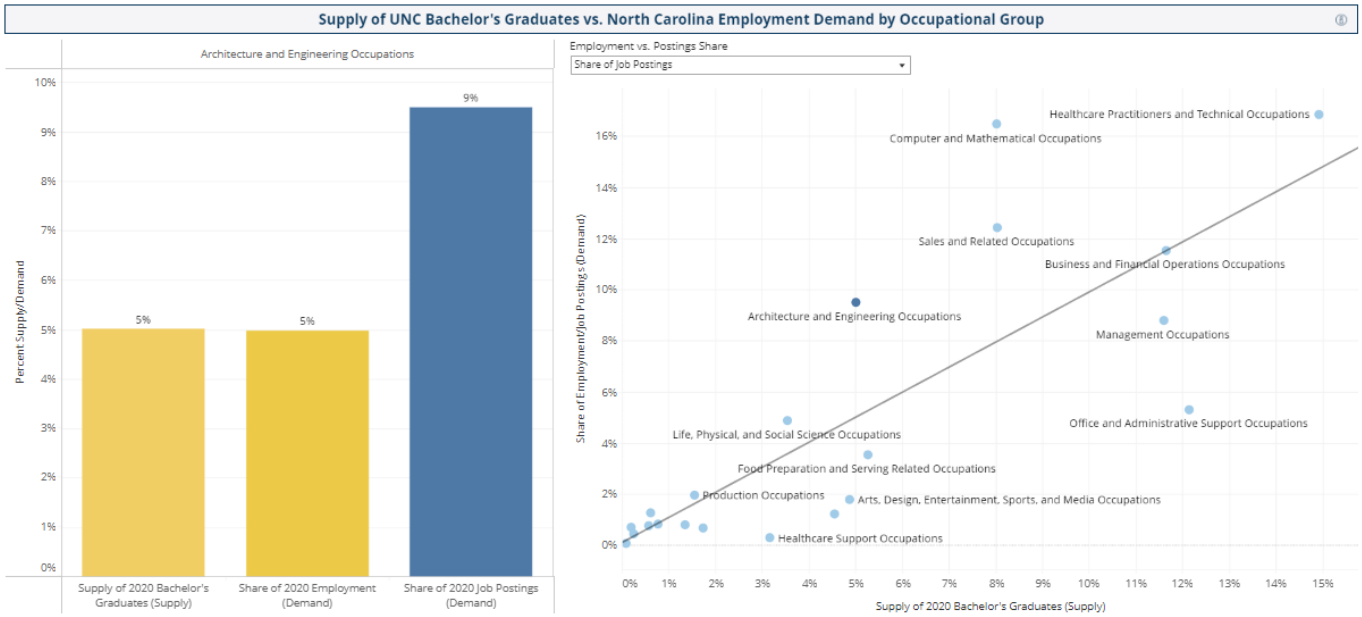


Figure 22: Supply of UNC Bachelor's Graduates vs. North Carolina Employment Demand by Occupational Group

Government Investment Dashboard

Following the summary dashboard is a government investment dashboard with the purpose of outlining (1) State appropriations (inclusive of State aid) that are directed to the UNC System and each constituent university and (2) the amount of aid needed to fund an additional credit hour within each program. In academic year 2020-2021, the North Carolina legislature appropriated $2.8 billion (including $260.8 million of State aid to students in the form of grant aid, loans, waivers, and other funds). Since academic year 2016-2017, State appropriations have risen at an average annual rate of 2.6%.

North Carolina has a long history of State support for public higher education, resulting in the System's ability to keep tuition rates low. These two revenue sources have brought a world-class faculty to North Carolina and have supported access and affordability for many generations of North Carolinians. For most of the System's history, these two revenue sources were the primary revenues that supported System operations. Both revenues are considered State General Fund revenues that are governed by strong regulations for budgeting.

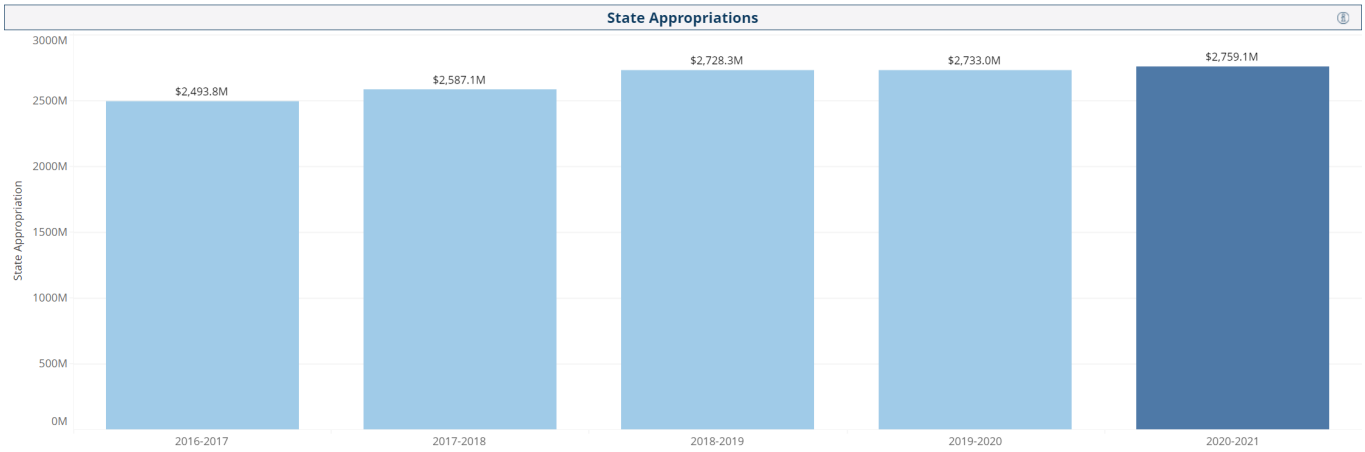


Figure 23: State Appropriations for the UNC System (AY 2017 – AY 2021)

The following graph is based on the State funding formula for each institution within the System and shows the rates at which the State would fund an incremental student credit hour within each CIP department. This graph does not dictate how the System would expend the funding but aligns with the General Assembly's expectations around costs by institution, degree level, and field of study as categorized by CIP code.

State Appropriation per Incremental Student Credit Hour (Undergraduate)

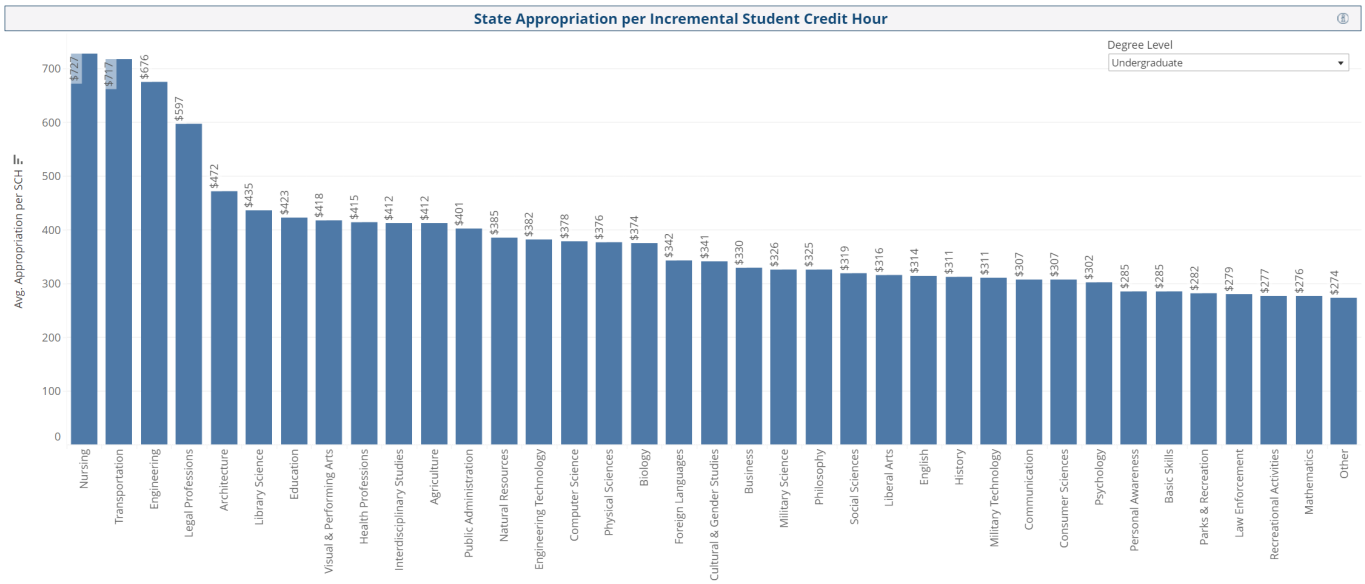


Figure 24: Incremental State Appropriations per Incremental Student Credit Hour

Government ROI Dashboard

The government return dashboard in the State ROI Dashboard series calculates the incremental lifetime earnings that a UNC System graduate will receive per incremental State appropriation dollar. This metric is defined as the median incremental lifetime earnings of a student (lifetime earnings of graduate less the earnings of a non-graduate) divided by the median incremental cost per graduate to the State. Median incremental cost per graduate is calculated utilizing incremental State appropriation per student credit hour amounts multiplied by the number of institutional credits completed for degree recipients. These rates are applied to 66% of an undergraduate's credits at the rate aligned to their field of study and 33% to the weighted average rate across all fields of study to simulate general

education course completion. Graduate students are assessed with 100% of their credits aligned to their field of study. In short, this metric can show the State how much more in lifetime earnings a student should receive for each additional dollar appropriated. For academic year 2020-2021, the incremental lifetime earnings per incremental State dollar was $23.07.

From these incremental earnings per student, the State receives several benefits as these appropriation dollars help support a higher earning, more educated workforce. Through these data, we have seen that a more educated workforce leads to higher wages in nearly every field of study. The U.S. Bureau of Labor Statistics also finds that as educational attainment rises, so too do overall earnings. These benefits also go further than economic returns. The Economic Policy Institute finds that higher levels of education also correspond to improved health and lower rates of mortality, and lower rates of crime. It is also important that there may be cases where the direct economic return to students and the State is smaller than average, but the occupations performed by graduates are critical to the health, education, and welfare of the State's population. These benefits are not captured here but must be acknowledged in discussion about the State's role in subsidizing higher education.

Although this study is not meant to serve as a full economic impact analysis, given these findings, there is a clear business case for states to make sure that all residents, including those from lower socioeconomic or disadvantaged backgrounds, have access to education. Earlier in this report, the project team detailed the power of a UNC education to enable economic mobility. When a state removes barriers to access and pushes for college affordability, the result can often times be a stronger, more productive workforce that drives economic output and prosperity so that all residents can reap the benefits.

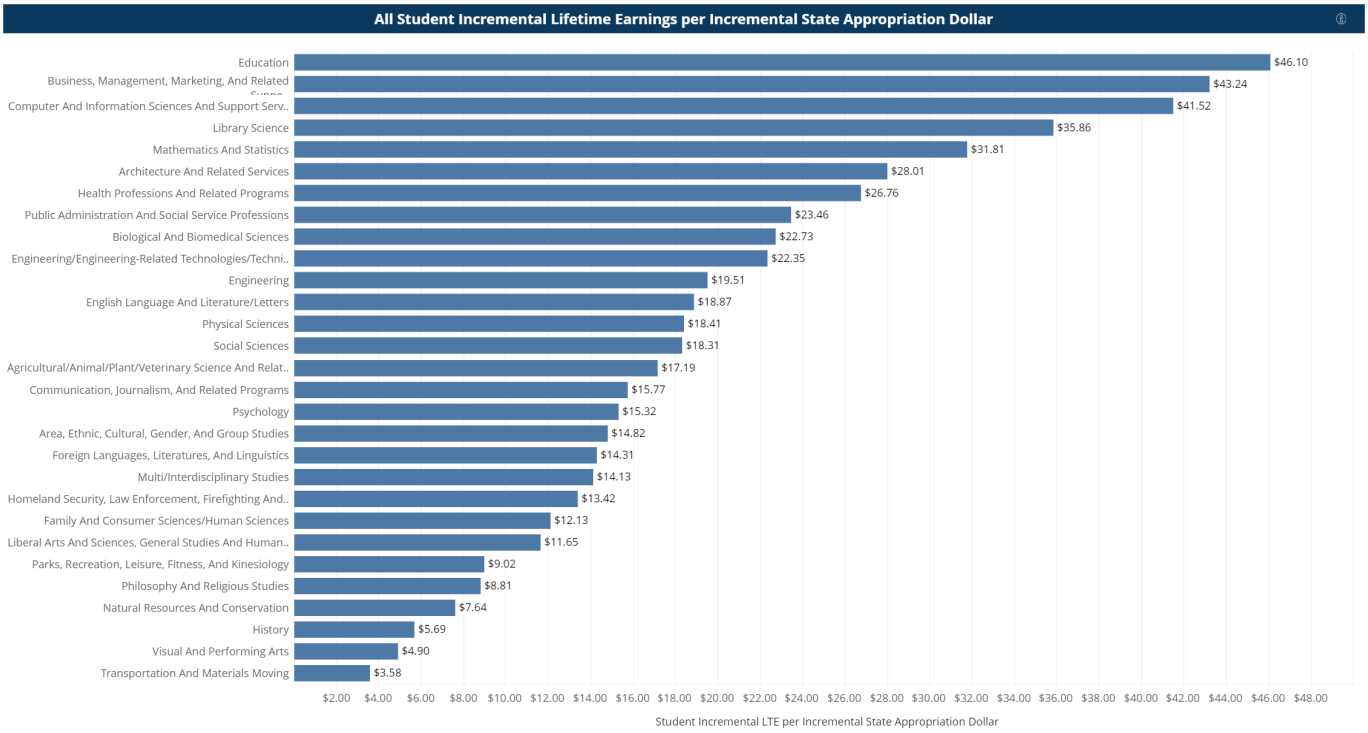


Figure 25: All Student Incremental Lifetime Earnings per Incremental State Appropriation Dollar

Moving Forward

Together with the Institutional Context, Student ROI, and State ROI Dashboard series, we hope that this report demonstrates a point in time view of metrics that can be used to evaluate the ROI of education delivered within the UNC System from multiple different stakeholder perspectives. Each of the constituent universities is distinct in the way they code expenses in the general ledger, organize departments, and deliver academic programs meaning that the context under which each institution operates matters. The dashboards are meant to be used as living tools that the General Assembly can use to help spark data-informed conversations with both the System Office and the constituent universities that make up the University of North Carolina and have limited value in isolation without institutional context and conversation. These dashboards can help the General Assembly, the System Office, and university leaders to come together and explore the drivers of costs at each institution, the relationship between fields of study and graduate employment, how higher education degree attainment affects lifetime earnings, and how State appropriations support student outcomes.

During the course of this project, the Deloitte team utilized centralized data from the UNC System data marts, proprietary data sets from BGI, the American Community Survey data, and workforce data from the NC Department of Commerce. To update the dashboards annually to incorporate the latest data and examine trend lines, the General Assembly in coordination with the System Office will need to consider a systematic methodology for data refreshes along with several other key opportunities to automate processes. These opportunities shown below will help institutional leaders further understand their data, understand their responsibilities in the data collection process, and avoid confusion related to metric outputs:

- Coordination with the Department of Commerce to receive regular updates in file formats that can feed the dashboards
- Exploration of data sharing agreements with the Internal Revenue Service to establish robust earnings data to capture earnings for populations that are not included in the NC Tower data such as out-of-State earnings, self-employed earnings, and federal government wages
- Establishment of an academic costing model committee that frequently updates meta-department structures, provides guidance for alignment of procedures related to expense booking, and oversees the exclusion/inclusion of cost components to help speed up (and ideally automate) the construction of academic costs models at each of the constituent universities
- Development of enhanced and refined centralized data collection as the central data marts are still relatively new that will include greater depth of analysis and additional time series analyses to understand how UNC is adapting to trends in education

Creating and updating the dashboards will involve many different stakeholder groups including the State legislature, the System Office, and each campus. Thus, an intentional focus on data collection, integration, and automation will bring together the dashboards faster and allow stakeholders to spend more time analyzing data as opposed to collecting data. Higher education is shifting rapidly as a result of evolving demographic and economic forces and there is an increased focus on how institutions demonstrate the value of the programs they deliver; therefore, a robust plan for dashboard refreshes will allow educational leaders to utilize the data before it becomes stale.

As conversations are held across the State regarding the results of analysis, new ideas for metrics and data sources will emerge and the General Assembly will need to consider how inclusion of those metrics may support the advancement of the UNC mission and vision. Through this engagement, the Deloitte team finalized the metrics for this first release of the dashboard in concert with the System Office, but the Advisory Committee (made up of academic leaders across campuses) all have provided additional topics for consideration in future releases. Common themes from the conversations with the Advisory Committee included:

- Inclusion of surveys and qualitative data related to alumni engagement, career readiness, mental health, and community engagement and other topics to support the student ROI evaluation
- Inclusion of institutional and student outcomes as they relate to research and public service
- Inclusion of revenues to assess profitability of programs

To conclude this report, we would again like to thank all the stakeholders within the System Office and the constituent universities who helped support this analysis. We hope that they see how their feedback and guidance came to life through the creation of the dashboards and this report. Educational leaders are constantly being challenged by new dynamics within higher education, and we hope that this report can serve as a starting point in creating dialogue in support of advancing the mission of the UNC System.

Appendix 1: About Deloitte and Our Partners

Deloitte is proud to partner with rpk GROUP and the Burning Glass Institute to deliver this report to the General Assembly and the UNC System Office.

About Deloitte

In the United States, Deloitte provides industry-leading consulting, risk and financial advisory, audit, and tax services to many of the world's most esteemed organizations. Deloitte Consulting serves eighty percent of the world's largest organizations. Building on more than 175 years of service, we aim to be the best at all that we do to help clients realize their ambitions, to make a positive difference in society, and to maximize the success of our people. This drive fuels the commitment and humanity that run deep through our every action.

Deloitte's Higher Education Practice

Institutions of higher education face ongoing challenges, including changing enrollment demographics, skyrocketing costs, intense competition, increased regulations, limited public funding, uncertain economic factors, and recently, an unprecedented public health crisis. Universities, colleges, and systems of higher education choose Deloitte to help address these challenges because of the depth and breadth of resources and experiences we bring to assist our higher education clients. The firm has delivered more than 100 years of service to higher education and has worked with more than 500 higher education institutions.

*We serve **more than 500 institutions of higher education** including:*

- *10 of the top 10 universities*
- *24 of the top 25*
- *65 of the top 100*

according to current U.S. News and World Report National University rankings.

For decades we have worked closely with higher education clients on their most pressing issues, including workforce strategies, strategic data modeling and analytics, business process re-engineering, financial sustainability and growth, ERP implementation, IT transformation, academic strategy, enrollment management, and student success. We have cultivated a broad comprehension of, and admiration for, the academic mission and shared governance culture of higher education institutions and systems. Our value comes from working with hundreds of institutions facing serious challenges and bringing that experience to you as a trusted advisor. Further, many of our team members have served in leadership roles at universities across the country.

We have helped organizations both within higher education and across industries capitalize on the disruptive trends reshaping our world, transforming their workforces into dynamic engines of future innovation. The pandemic blend of onsite, remote, and hybrid work is more than just a set of preferences and policy decisions: it is an unprecedented opportunity to rethink the nature of work and how we make learning happen for all students. Deloitte continues to help major organizations transition efficiently to hybrid operating models that combine onsite and remote work as they seek to balance their desire to improve the talent experience with their need to increase productivity.

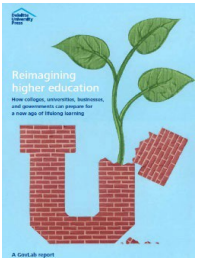
Work with Higher Education Systems

Dallas College
Louisiana Community and Technical College System
Massachusetts System of Public Higher Education
Minnesota State System
Pennsylvania's State System of Higher Education
Texas A&M System
University System of Arkansas
University of Tennessee System
Virginia Community College System

To help colleges and universities contend with strategic and operational challenges, Deloitte founded the Center for Higher Education Excellence. Through the Center, we engage the higher education community through forums and immersive lab sessions to increase collaboration and knowledge sharing in teaching, learning, and research. Some of the Center's recent research and thought leadership includes:

Success by design: Colleges and universities face challenges with student persistence and completion, as well as shifting demographic trends. However, through Deloitte's flexible framework, institutions can design programs and services that promote student success.

The future(s) of public higher education: How can U.S. state universities meet growing demands for relevance even as they face a funding squeeze? Here are five innovative ways that stakeholders can collaborate to deliver an effective yet affordable educational experience.



Reimagining Higher Education: Fracture lines can be seen across American higher education. Colleges, universities, businesses, and governments can prepare for a new age of lifelong learning and make American higher education more accessible, affordable, and relevant.

Deloitte's Analytics Leadership

For decades, Deloitte has helped higher education institutions solve the industry's most complex challenges by leveraging data-informed strategies and analytics. Deriving value from data is critical for institutions seeking to enhance their enrollment, student success, academic, and research outcomes. Deloitte has built an entire practice dedicated to the management and distillation of data to help clients unlock this value. We are continuously recognized as a market leader in data management and analytics and employ more than 3,200 professionals with this expertise.

Deloitte's expertise in analytics has been recognized time and again by experts, including seven consecutive years as Gartner's top-ranked Data and Analytics Service Provider, a leader in Gartner's Enterprise Insights Service Provider list, and IDC's leader in Business Analytics Consulting. Our core analytics capabilities are further augmented with proprietary data assets, tools, and accelerators which provide new and valuable insights to our clients including our Candidate360™ student lifecycle analytics solution and our proprietary PeoplePrism™ data set:

Gartner Magic Quadrant for Data & Analytics

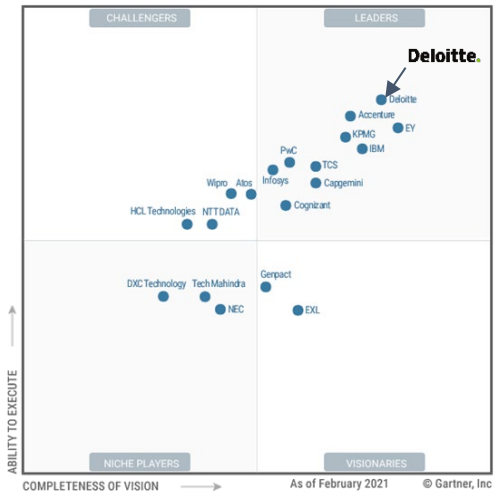


Figure 26: Deloitte's Positioning in Gartner Magic Quadrant

Deloitte's PeoplePrism™ data provides unique and compelling insights into the behavior patterns of households to augment and enhance UNC's existing data.

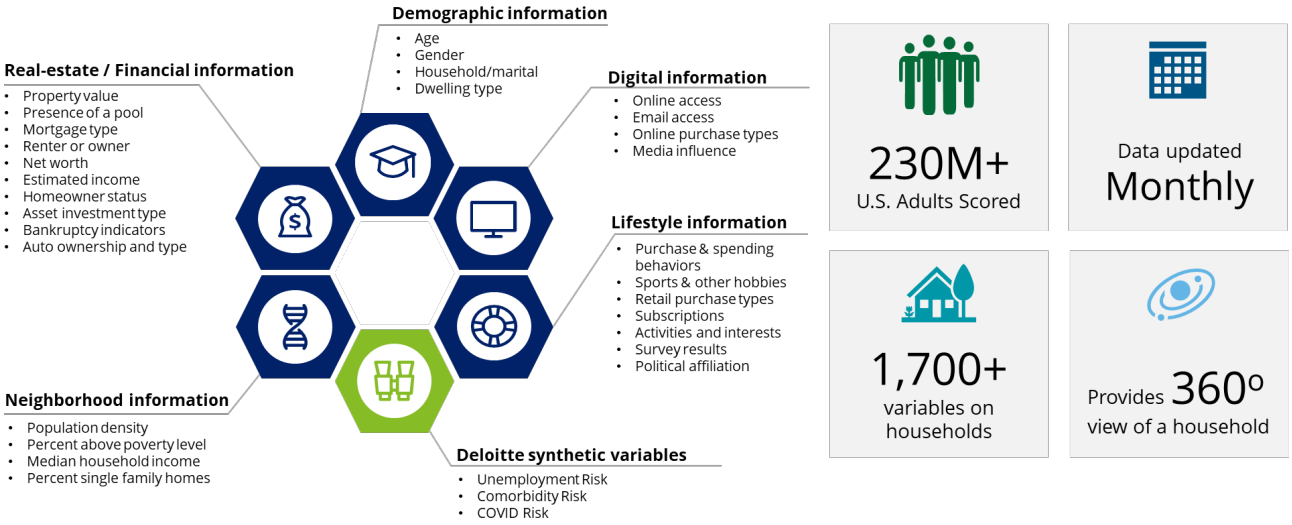


Figure 27: Summary of Deloitte's PeoplePrism data

We are also focused on the curation and development of data sources related to higher education and other sectors —a capability that will be significant in our work with the University. As an example, Deloitte launched DataUSA in April 2016 through a partnership among Deloitte, MIT Media Labs, and Datawheel. Data USA is the most comprehensive visualization engine of US public data. Located in a central database, free to access, and easy to navigate, the solution allows institutions to quickly analyze a large number of data points from workforce demographics to industry-specific compensation and job demand. The high-powered tool enables organizations to quickly develop marketplace insights that would previously have taken significant manpower to compile, normalize, and compute the data – ultimately leading to faster business decisions based on reliable information. Beyond this public example, we have extensive experience curating workforce and higher education data though both publicly available sources (as with DataUSA) as well as through proprietary datasets held within the firm and accessed through partnerships.

Deloitte's Future of Work Institute for Higher Education

Our recent development of the Future of Work Institute provides student-level and national insights and training on the intentional transition of students into an ever-evolving workforce. Rooted in a curriculum of interactive labs and independent research and exploration, the Future of Work Institute draws on the expertise of seasoned, career-oriented university executives from across the country to build workshops, trainings, knowledge, and insights into how students can design lives and careers in authentic, mindful, and proactive ways. Launched in 2020 and piloted with seven universities in the Fall of 2021, the Future of Work Institute labs allow Deloitte to explore the boundary of employer-university relationships, develop cutting-edge models of professional development for students, and help students define a coherent vision for themselves as dynamic individuals positioned to make an impact in their professional lives after graduation.

Deloitte's Commitment to North Carolina

Deloitte enjoys a strong working relationship with both the State of North Carolina and businesses that call the State home. We have over 2,100 professionals living and working across North Carolina, with offices in Raleigh, Charlotte, Greensboro, and Morrisville and have a 20-year history working with State agencies in North Carolina. Beginning with the first Enterprise Resource Planning system in NC, we have since successfully delivered multiple large system

integration projects including the State's pension system (ORBIT), the Statewide HR/Payroll and Shared System (BEACON), a benchmarking analysis, NCGEAR, the State's cloud service broker project, a Statewide Longitudinal Data System (CEDARS), a Security Information and Event Management (SEIM) solution, and cyber risk assessment services. We are proud to state that all projects were delivered on time, with a high degree of fidelity, and on or under budget.

Similarly, we are proud to benefit from UNC's dedication to its students' success by recruiting more than 1,100 current Deloitte professionals that have graduated from the UNC System including representation from all sixteen institutions. In the past year alone, Deloitte hired 368 UNC alumni as campus and experienced hires. Your alumni help build the backbone of Deloitte offices in Charlotte, Rosslyn, Raleigh, and Atlanta and many become leaders at our firm: Deloitte currently has 92 senior-level leaders that graduated from the UNC System.

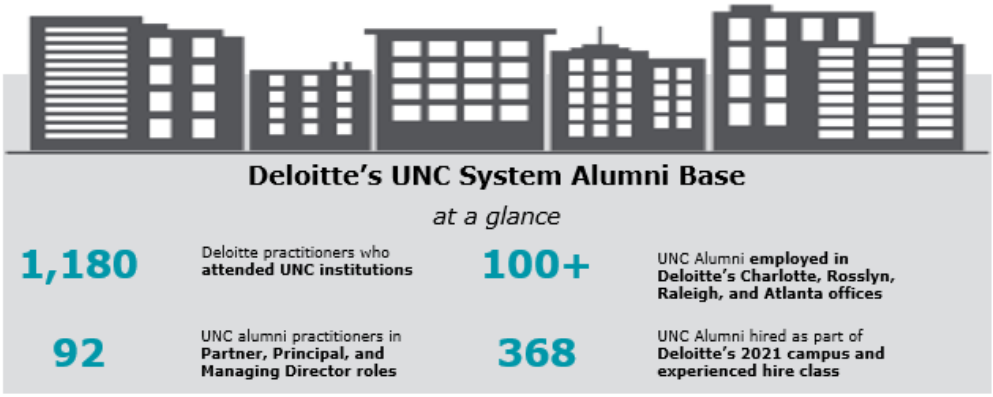


Figure 28: Summary of Deloitte's UNC System Alumni Base

About Our Partners

Our partners for this engagement bring custom methodologies, unique experiences, and access to proprietary data to augment Deloitte's capabilities and bring the best possible solution to UNC. We are very pleased to bring the combined power of both rpk GROUP and the Burning Glass Institute to answer the requests of the General Assembly

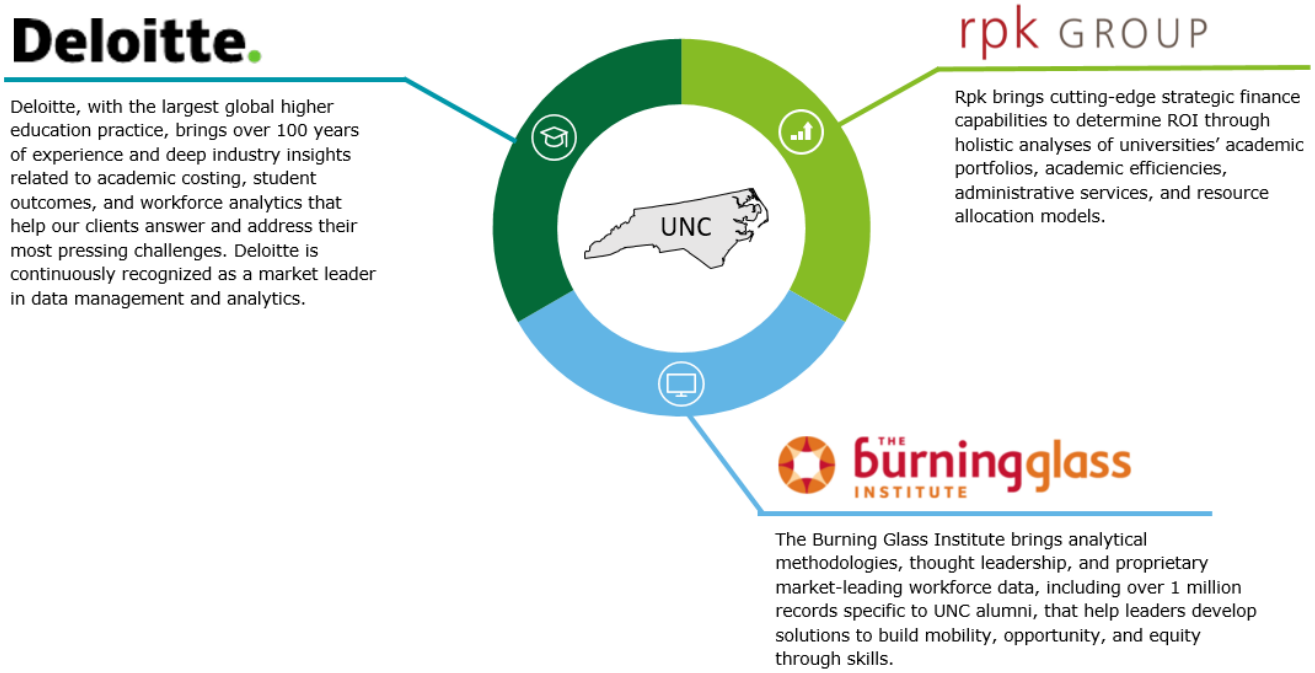


Figure 29: Deloitte and its Engagement Partners

About rpk GROUP

rpk GROUP ("rpk") is a leading mid-size national consulting firm supporting colleges and universities, systems, and nonprofits with their growth and resource allocation (and reallocation) strategies. Our firm has worked with institutions and postsecondary education systems nationwide and internationally, helping them to combine cutting-edge research on higher education strategic finance with systems change. This combination of a research focus around new business models, and an ability to work with higher education institutions and systems to implement best practices emerging from this research, makes rpk GROUP unique among consulting practices. rpk's work has supported the application of a new return on investment lens (ROI) at its institutional and system partners. Most recently, this work supported the University of Kansas in a holistic analysis of its academic portfolio, academic efficiencies, administrative services, and resource allocation model. The ROI lens is also currently being utilized at East Carolina University in support of greater transparency around its business model and the creation of performance metrics.

rpk GROUP's past Higher Education and related work includes:

- Vermont State Colleges System
- University System of Maryland
- SUNY System
- West Virginia Higher Education Policy Commission
- The University of Texas at Austin
- University of South Carolina
- EDUCAUSE
- Bill and Melinda Gates Foundation
- University of Kansas

About Burning Glass Institute

Situated at the intersection of learning and work, the Burning Glass Institute (BGI) advances data-driven research and practice on the future of work and workers. We work with educators, employers, and policymakers to develop solutions that build mobility, opportunity, and equity through skills.

Today's job market is being reshaped by unprecedented dynamism, with significant implications for our society. 30% of the average job's skills have been replaced over the past decade, challenging higher education to keep up and threatening the industry with the prospect of a major talent disruption. **How can companies and communities ensure that the workforce they have can be the workforce they need for the future?** In this context, the Burning Glass Institute's work is increasingly urgent. Industry suffers severe talent shortages even as many workers remain stuck on a treadmill of low-wage employment. Companies struggle to attract diverse workers even as many talent pools go underleveraged. Colleges and universities too often fail to align their programs with labor market demand, leading to disappointing outcomes for graduates and poor returns on education and training investments for students and the public alike. Meanwhile, the sizeable opportunity and growing need to support workers in acquiring new skills throughout their careers go unaddressed amidst declining higher education enrollments. The impact of these problems extends beyond individual employers or institutions. The inability to predict and build pipelines for future talent needs challenges the competitiveness of regions, sectors, and nations.

Through our expertise in mining new datasets for actionable insight, the Burning Glass Institute's research draws attention to pressing problems and frames the potential for new approaches. Through project-based engagement, focused working groups, and data sharing collectives, we bring forward solutions that are high-impact and replicable.

The Institute's leadership invented the field of real-time labor market analysis, a breakthrough innovation that transformed the way employers, education institutions, policy makers, and workers understand, plan for, and connect with the world of work. As such, our work leverages our direct access to and intimate familiarity with the comprehensive and uniquely insightful data of market leader Lightcast. While static data sources such as the Bureau of Labor Statistics provide useful but dated market trends through a survey-based approach, Burning Glass's datasets deliver a real-time view into job market changes happening today.

Appendix 2: Governance Group Members

Steering Committee Members

The Steering Committee was composed of eight leaders from the System office joined by Jenna Bryant who helped manage the project:

Jenna Bryant

Engagement Manager

David English

Senior VP for Academic Affairs and Chief Academic Officer

Daniel Harrison

Senior Associate VP for Academic and Regulatory Affairs

Jennifer Haygood

Senior VP for Finance and Administration and Chief Financial Officer

Andrew P. Kelly

Senior Vice President for Strategy and Policy

Diane Marian

Vice President for Data and Analytics

Lindsay McCollum

Vice President for Finance and Budget

Michael Vollmer

Chief Operating Officer

Rondall Rice

Executive Director for Operations & Administration

Advisory Committee Members

The Advisory Committee was comprised of leaders from across the campuses, encompassing a wide range of viewpoints and perspectives:

Anthony Artimisi
Winston-Salem State University
Interim Associate Provost for Academic Strategy and Institutional Effectiveness

Carol Burton
Western Carolina University
Vice Provost for Academic Affairs

Sarah Carrigan
North Carolina Central University
Associate Vice Chancellor for Institutional Research

Amy Hertel
UNC Chapel Hill
Executive Vice Provost

Tim Ives
UNC System
Faculty Assembly Representative

Jeff Konz
UNC Asheville
Director of Institutional Research

Nicole Lucas
Fayetteville State University
Associate Vice Chancellor for Institutional Effectiveness / Institutional Research

Andy Mauk
UNC Wilmington
Associate Provost Institutional Research and Planning

Mike McKenzie
Appalachian State University
Vice Provost for Academic Program Development and Strategic Initiatives

Elizabeth Normandy
UNC Pembroke
Associate Vice Chancellor of Planning and Accreditation

Margery Overton
North Carolina State University
Senior Vice Provost for Institutional Strategy and Analysis

Gloria Payne
Elizabeth City State University
Vice Provost

Jodi Pettazzoni
UNC Greensboro
Associate Vice Provost and Director and SACSCOC Liaison

Patrick Sims
UNC School of the Arts
Executive Vice Chancellor and Provost

Arwin Smallwood
North Carolina A&T State University
Interim Vice Provost for Undergraduate Education

Gregory Weeks
UNC Charlotte
Associate Dean, College of Liberal Arts and Sciences

Ying Zhou
East Carolina University
Associate Provost for Institutional Planning, Assessment, and Research

Data Owners Group

The data owners group helped the team collect and evaluate the data within each constituent university setting.

McKinney Austin
North Carolina State University
Director of Institutional Analytics

Karen Blackwell
UNC Greensboro
Director of Institutional Research and Enterprise Data Management

Elizabeth Davis
UNC School of the Arts
Interim Senior Director of Institutional Research and Planning

Sandra Davis
North Carolina Central University
Director of Institutional Studies

Lily Hwang
North Carolina A&T State University
Director of Institutional Research

Beverly King
East Carolina University
Director of Institutional Research

Jeff Konz
UNC Asheville
Director of Institutional Research

Heather Langdon
Appalachian State University
Executive Director of Institutional Research

Tim Metz
Western Carolina University
Assistant Vice Chancellor for Institutional Planning and Effectiveness

Willie Moore
Fayetteville State University
Director and Chief Data Officer of Institutional Research

Becky Mussat-Whitlow
Winston-Salem State University
Director of Institutional Effectiveness and Planning, Institutional Assessment, and Research

Fred Okanda
Elizabeth City State University
Director of Office of Institutional Effectiveness, Research, and Assessment

Rob Ricks
UNC Chapel Hill
Director of External Reporting

Michael Smith
UNC Wilmington
Director of Institutional Research and Analytics

Wayne Stone
UNC Charlotte
Senior Director for Institutional Research

Chunmei Yao
UNC Pembroke
Director of Institutional Research

Errata Table

Date	Update	Version
November 20, 2023	Final data update and refresh pre-publication	Version 2
November 20, 2023	Addressed data typo in executive summary	Version 3

AGENDA ITEM

VI. Advancing ECU's Technology Transfer Deliverables via NC Innovation.

Dr. Sharon Paynter
Acting Chief Research & Engagement Officer

Situation: This session will focus on ECU's existing technology transfer enterprise as well as identify opportunities to strengthen its foundation for future growth including leveraging the historic investment North Carolina has made in NC Innovation.

Background: North Carolina is consistently ranked among the top states in the U.S. for research and development funding. However, economic outputs resulting from that funding are not being realized to their full potential. To address this gap, North Carolina Innovation (NCI), a nonprofit 501(c)(3), was created. This program will help campuses bridge the gap between promising research and exit from early development stages.

NCI leverages both private and state funds with the goal of transforming North Carolina into a state known for innovation. NCI has now established four Regional Innovation Network hubs including one at ECU. NC Innovation is a public-private partnership that aims to accelerate commercialized innovation from North Carolina universities.

Assessment: The Committee on Strategy & Innovation and the University Affairs Committee will receive a presentation on the overall university technology tranfer landscape, an analysis of ECU related data and will have a discussion regarding next steps and future initiatives.

Action: This item is for information only.

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NCINNOVATION

OPTIMIZING INNOVATION FOR NORTH CAROLINA

> December 2023

> www.ncinnovation.org

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NCInnovation at-a-glance

Our Vision

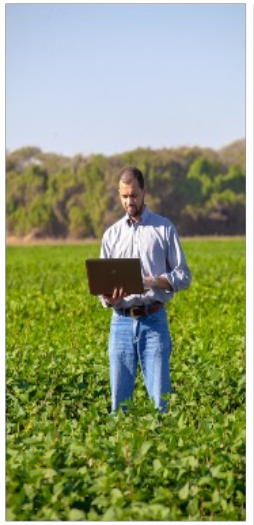
North Carolina will be The Innovation State

Enabled by a public-private partnership to accelerate commercialized innovation from NC's universities

Our Mission

Commercialize and scale innovation to create jobs and improve economic opportunity in all 100 counties of North Carolina







Our Values

Innovation | Collaboration | Accountability | Integrity | Inclusion

NCINNOVATION

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THE REALITY WE FACE

Applied research SHOULD yield new jobs and companies.

North Carolina is home to top research universities, but our innovation performance doesn't measure up.

North Carolina receives almost $13B annually in academic and industry R&D. *However*:

- We rank **20th in total innovation***
- We **lag the national average** in commercializing our research
- Competitor states are **investing in innovation** and successfully targeting emerging NC tech companies

** North Carolina Department of Commerce Office of Science Technology & Innovation's "Tracking Innovation" report, 2021*

NCINNOVATION

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Regional disparities are significant across North Carolina

NCI commissioned research from TEConomy Partners, a leading independent consultancy, to quantify why NC is 20th in innovation commercialization. *Among their research outputs:*

- **Asset Mapping:** mapped North Carolina organizations involved in innovation & entrepreneurship
- **Qualitative Analysis:** interviewed 30+ senior research & commercialization leaders
- **Quantitative Analysis:** benchmarked North Carolina's commercialization indicators:

	Research Triangle	Piedmont Triad	Charlotte	Western	Wilmington	Eastern	Fayetteville	Total
Capital (Non-University)	63	13	21	6	5		1	109
Capital (University-Based)	16		2			1		19
University-Based Services	41	12	10	6	7	7	5	88
Other Technical Services	7	2	3	2				14
Other Support Services	32	21	12	8	3	4	1	81
TOTAL	159	48	48	22	15	12	7	311

NC IS LOSING GROUND ON ITS R&D GROWTH

Compared to six peer states and national averages, NC's performance is below average in eight key indicators:

	Measure per GSP		Change since 2010		Change since 2015	
University R&D	2nd	Above	6th	Below	5th	Below
Industry R&D	3rd	Below	2nd	Above	3rd	Below
Industry-Academic R&D	2nd	Above	7th	Below	7th	Below

An innovation arms race has broken out in the U.S.

States are increasingly recognizing new products and companies generated from applied research create deep downstream multiplier effects *(Enrico Moretti, MIT Sloan Management Review).*

Competitors are directly funding new investments and establishing new innovation clusters:

Massachusetts

- **$1.6 B** in biotech/life sciences
- **$250 M** manufacturing tech

Ohio

- **$2.3 B** in Third Frontier
- **$125 M** in aerospace

Texas

- **$1 B** in applied research and commercialization
- **$1.1 B** for semiconductor R+D

Georgia

- **$694 M** to fund university research and innovation commercialization

NCINNOVATION

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TECONOMY PARTNERS IDENTIFIED FOUR CHALLENGES FACING NC

Uneven Success

- Researchers and entrepreneurs **outside of major cities** are struggling for resources and mentors

Underdeveloped Capital Landscape

- **Insufficient commercialization funding** for university innovation

Lack of Applied Research

- Few partnerships across universities to solve **marketplace problems**

Lack of Regional Networks

- **Little regional collaboration** between academic, industrial and capital formation networks

THESE FINDINGS HAVE REAL IMPLICATIONS FOR COMMERCIALIZATION

Technology readiness level (TRL)	Description
1 Basic principles observed and reported	Lowest level of technology readiness. Scientific research begins to be translated into applied research and development. Examples include paper studies of a technology's basic properties.
2 Technology concept and/or application formulated	Invention begins. Once basic principles are observed, practical applications can be invented. Applications are speculative, and there may be no proof or detailed analysis to support the assumptions. Examples are limited to analytic studies.
3 Analytical and experimental critical function and/or characteristic proof of concept	Active research and development is initiated. This includes analytical studies and laboratory studies to physically validate the analytical predictions of separate elements of the technology. Examples include components that are not yet integrated or representative.
4 Component and/or breadboard validation in laboratory environment	Basic technological components are integrated to establish that they will work together. This is relatively low fidelity compared with the eventual system. Examples include integration of ad hoc hardware in the laboratory.
5 Component and/or breadboard validation in relevant environment	Fidelity of breadboard technology increases significantly. The basic technological components are integrated with reasonably realistic supporting elements so they can be tested in a simulated environment. Examples include high fidelity laboratory integration of components.
6 System/subsystem model or prototype demonstration in a relevant environment	Representative model or prototype system, which is well beyond that of TRL 5, is tested in its relevant environment. Represents a major step up in a technology's demonstrated readiness. Examples include testing a prototype in a high-fidelity laboratory environment or in a simulated operational environment.
7 System prototype demonstration in an operational environment	Prototype near or at planned operational system. Represents a major step up from TRL 6 by requirement demonstration of an actual system prototype in an operational environment (e.g., in an aircraft, a vehicle, or space).
8 Actual system completed and qualified through test and demonstration	Technology has been proven to work in its final form and under expected conditions. In almost all cases, this TRL represents the end of true system development. Examples include developmental test and evaluation of the system in its intended weapon system to determine if it meets design specifications.
9 Actual system proven through successful mission operations	Actual application of the technology in its final form and under mission conditions, such as those encountered in operational test and evaluation. Examples include using the system under operational mission conditions.

Federal Funding

2nd in our national peer group

"Valley of Death"

2022 impact at NCI's 4 regional hubs

- 88 invention disclosures
- 20 patents
- Only 7 start-ups (4 in CLT)

Commercial Funding (VC)

15th nationally (Pitchbook)

NCINNOVATION

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The solution: a true public-private partnership

and the Barnhill Family Foundation, Kirk Bradley, Ven Poole Family Foundation, Temple Sloan

FY24-FY25 Biennium Budget

- **$250 million** in FY24, of which *up to $50 million* can directly support NCI programs
- **$250 million** in FY25, of which *up to $90 million* can directly support NCI programs
- Remaining balance funds an endowment that can be invested, with investment returns to provide future program funding
- Numerous taxpayer protections and oversight provisions to ensure direct benefit to State of North Carolina
- Private donations fund 100% of overhead and administrative costs.

NCINNOVATION

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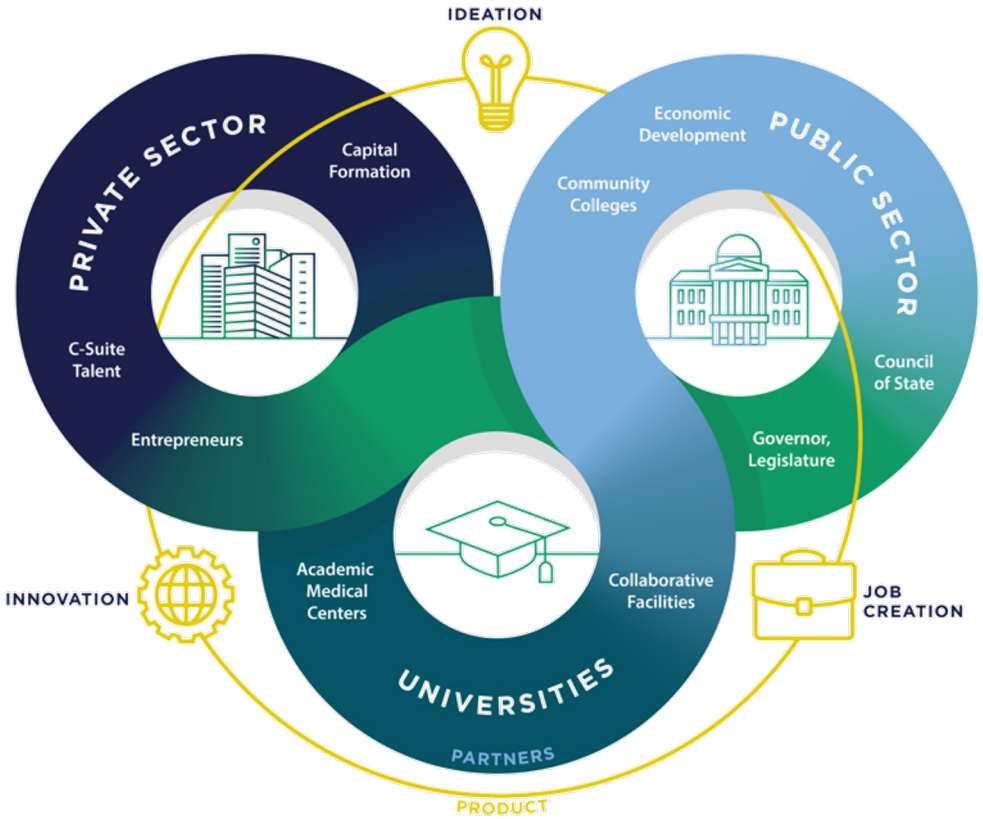
THE APPROACH: REGIONAL NETWORKS & APPLIED RESEARCH SUPPORT

NCInnovation will use the investment income from an actively managed endowment to:

- Develop and optimize **regional innovation networks** to connect industry, academia, and entrepreneurs across the state
- **Provide grant funding** to support emerging applied research technologies
- Enable **support services** to commercialize our research successes and create economic development across North Carolina



NCINNOVATION

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Funding Authorities

Permissible Activities

***NCI may use State funds to*:**

- Establish regional innovation hubs and networks
- Provide non-dilutive grants for applied research "to bridge the gap between… research… and commercialization"
- Fund capacity-building grants to expand applied research federal grant scouting and project management support
- Support technology development and licensing
- Pursue IP protection
- Fund support commercialization services (to include capital formation from sources other than NCI)

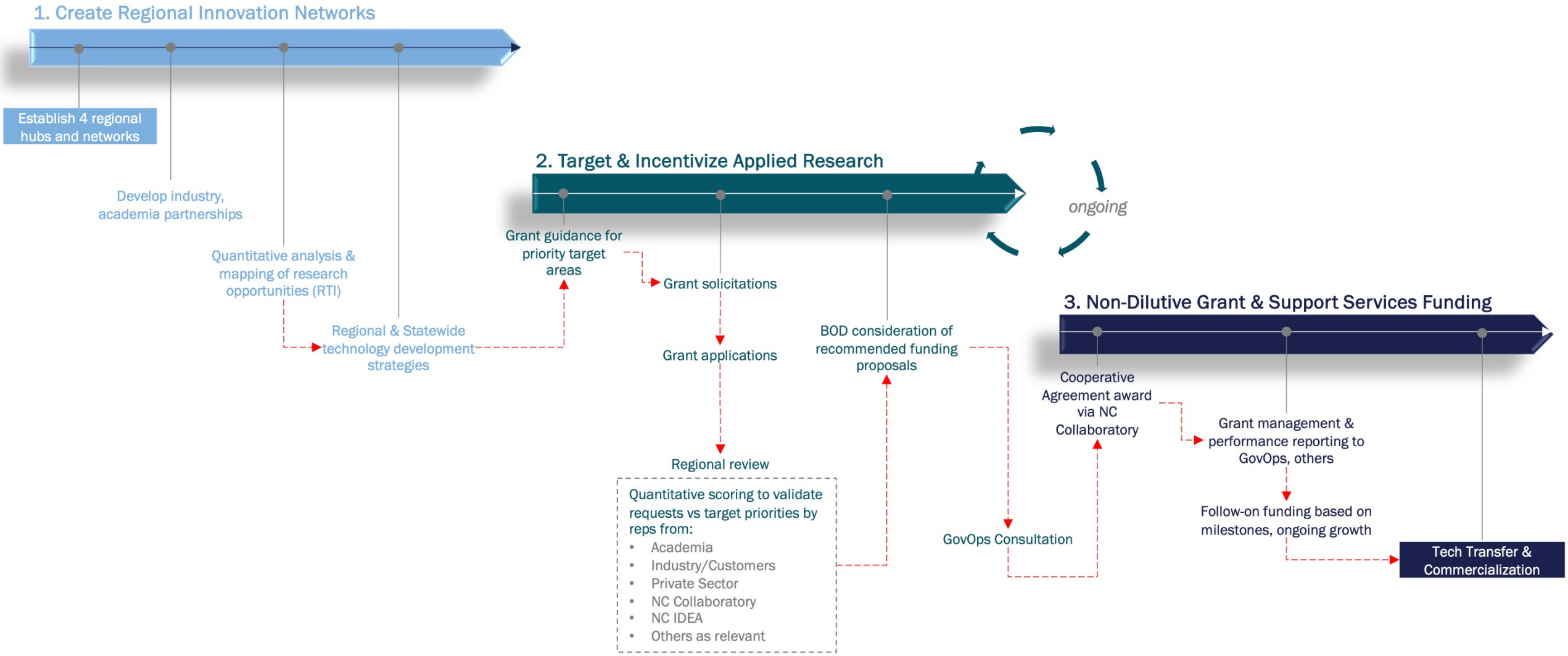
Restrictions on Funding

NCInnovation may not:

- Provide venture capital or other equity instrument, or receive an equity position in any organization
- Provide funding of any kind to private organizations (regardless of placement or UNC System affiliation)

PROCESS MAP: REGIONAL HUBS TO FUNDING AWARDS & COMMERCIALIZATION

NCI's designed its model as a sequence of interconnected activities that build on one another, using quantitative data to inform all funding awards.



NCINNOVATION

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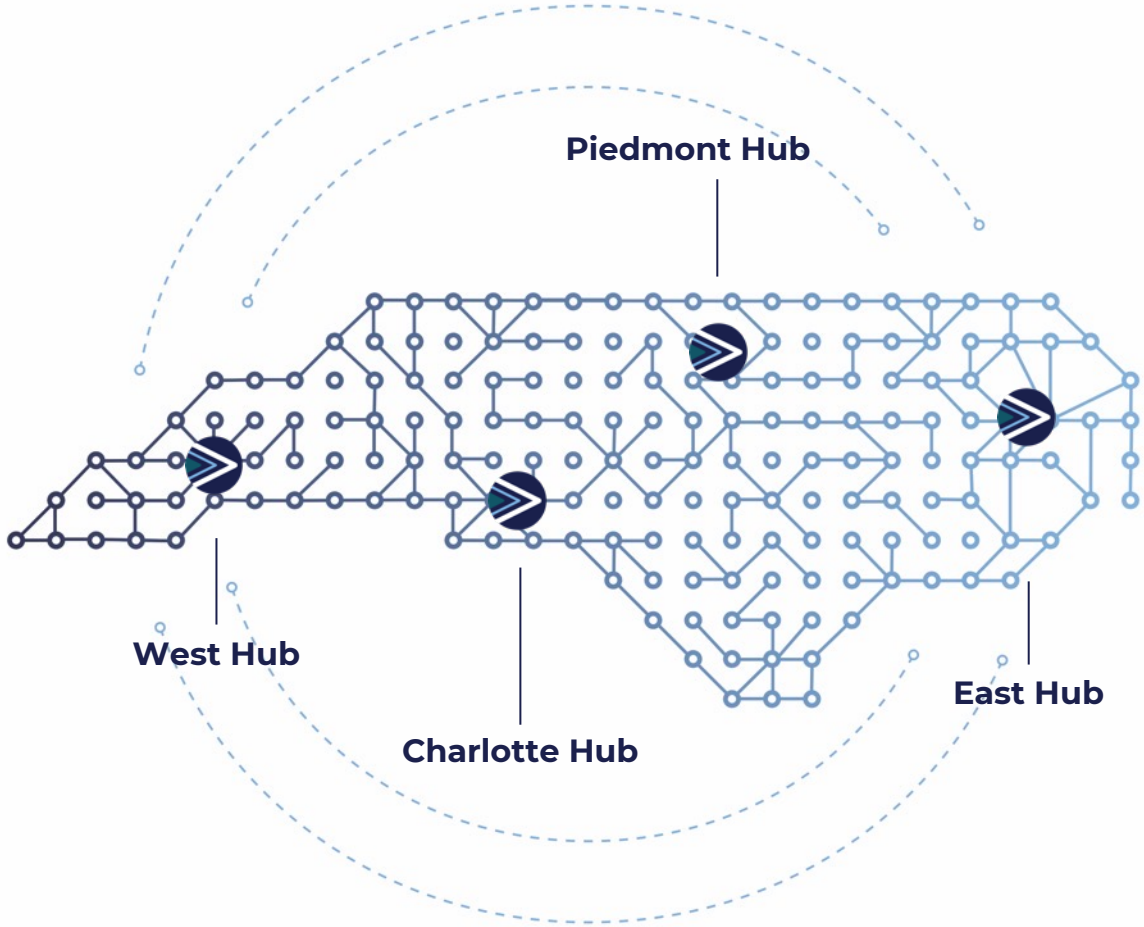
Regional Approach

It is recommended that North Carolina foster regional innovation networks, especially in underserved regions, to connect academia, industry, and capital in every region of the state.

Optimizing North Carolina's Innovation Ecosystem
TEConomy Partners, LLC | October 2022



Piedmont

West

East

Charlotte

TBD:

NCINNOVATION

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Near-Term Outcomes

Regional Market Analyses. NCI will fund region-specific analyses of market-based problems and commercial opportunities.

- **VALUE:** enhanced knowledge regarding regional needs

Translational Research Portfolio. Building on the regional market analyses, NCI funding will cross-reference existing university research activities and capabilities.

- **VALUE:** roadmap to guide investments into problem-based applied research

Identified List of "Investable Projects." NCI will develop a list of investable projects (to include budgets, timelines, and outcomes)

- **VALUE:** detailed inventory and proposed spend plans for funding

Anticipated benefits to North Carolina

Federal Grant Competitiveness
- Regional alignment & collaboration
- Paths to sustainability

Industry Partnerships
- Industry R&D needs drive academic innovation

Applied Research
- Increased government funding
- More patents and licensing

Economic Growth
- More companies, more jobs
- Expanded tax base

Recruitment & Retention
- Homegrown innovation: ideas born in NC stay in NC

Value of University IP
- IP will be more valuable if commercialized

Business and public-sector investment in R&D realize economic and social spillover gains of up to **33x**.

Indiana has realized a **16.8:1** capital multiplier on its $494 million investment into regional innovation grants.

Innovation creates **3x** more jobs than the manufacturing sector. (*Enrico Moretti, MIT Sloan Management Review*)

Each high-tech job leads to **5 additional jobs** spanning skilled and unskilled laborers. (*Moretti*)

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Summary

- **Seven years of research, analysis, and strategic formulation** resulted in an intentional, tactical, and data-driven model that will position North Carolina to compete nationally.
- **Independent data and competitive analysis** to identify required grant funding and support services.
- Focus on creating a **self-sustaining entity** that:
  - Protects taxpayer dollars by using investment income, not recurring spending
  - Meets the identified financial needs of our regional universities
  - Creates economic development out of research success the state already owns
  - Positions NC to compete (if not win) the national innovation arms race
  - Comes at no cost to other state priorities by using a “reserved reserve”
- **Create economic development** out of North Carolina universities’ applied research successes, and in the communities that originate those successes.

AGENDA ITEM

VII. Intercollegiate Athletics Report ..... Dr. Robin Coger
Provost and Senior Vice Chancellor

Situation: UNC Policy 1100.1 states that a report on student-athlete admissions, academic performance, and progress towards degree as well as financial reporting be provided each year to the institution's Board of Trustees before submission to the UNC System Office to share with the UNC System President.

Background: Information in this year's report includes data for Academic Year 2022-2023. UNC Policy 700.6.1[G] requires an annual review of course-clustering of student-athlete enrollment be completed. No irregularities were found in the review.

Assessment: This year's assessment is comparable to prior years, without any significant findings.

Action: This item is for information only.

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2022-2023 Intercollegiate Athletics Survey

Survey Information and Tips

UNC Policy 1100.1 and 1100.1.1[R] requires the constituent institutions annually to compile and review financial and academic data on the intercollegiate athletics programs, and that the chancellors, boards of trustees review the information. The annual UNC Intercollegiate Athletics Report to the President and the UNC Board of Governors fulfills the requirement to disclose the academic characteristics and performance of the UNC system's student-athletes and institutional athletics departments. This data collection and subsequent report will fulfill all reporting requirements.

The information gathered via this survey will be compiled into the annual report, and is expected to be presented to the UNC Board of Governors at their May 2024 meeting.

Please complete and submit this form by March 22, 2024.

- Recommend printing/sending the survey to the different areas/offices with the information, and then have one person compile and enter the information for submission.
- Multiple documents are required (see file upload and follow naming conventions). You may upload additional, explanatory documents, as needed. Please submit all in PDF format.
- Please check financial information carefully and compare to the information submitted for the previous year. Any wide variations should be explained in an uploaded document.

Institution *

East Carolina University

Contact/Submission POC Name *

Stephanie White

Contact/Submission POC Title *

Senior Associate Athletics Director/Student-Athlete Academic Services

Contact/Submission POC email *

whitestep21@ecu.edu

Undergraduate Student-Athlete Admissions

Per UNC Policy 1100.1 (section 13.b), all UNC institutions annually report to the UNC Board of Governors regarding their intercollegiate athletics programs and shall include information regarding their "admission policy for student-athletes, including the definitions utilized for exceptions to campus-based criteria."

Provide URL of institution's student-athlete admissions policy and/or upload a file

If uploading a file, use the following naming convention: XXXX_SA_Admissions_Policy (where XXXX=your institutional abbreviation.)

Total of Recruited Freshman Student-Athletes *

116

Total of Recruited Freshman Student-Athletes who DID NOT MEET MCRs *

0

Total of Recruited Freshman Student-Athletes who DID NOT MEET MERs *

2

Average High School Core Course GPA of Recruited Freshman Student-Athletes *

3.58

Academic Integrity and Course Clustering

Per UNC Academic Integrity Regulation (700.6.1[R]) and Guidelines (700.6.1.1[G]), please provide information for the following questions related to academic integrity. The review consists of three steps:

1. Flagging and reviewing all course sections with possible clustering of student-athletes. Flagged courses are defined as student-athletes making up more than 25% or more of the section enrollment at time of census. The review consists of examining the grade distribution between student-athletes and non-student-athletes in flagged sections and the grade distribution between flagged sections and non-flagged sections of the same course.
2. Reviewing the transcripts of any student-athletes enrolled in three or more flagged courses.
3. If Steps #1 and #2 lead to identifying irregularities with regards to student-athletes and course clustering, then a document should be submitted explaining these irregularities and steps taken to review and ameliorate the irregularities.

Note: Student-athlete data for the next four items should include data across all terms in the academic year 2022-23.

For any explanations or expounding upon findings, include those in an attached file.

# of Sections Flagged/Reviewed for Clustering *

98

# of Flagged Sections found to be irregular *

0

For student-athletes enrolled in three or more flagged sections per academic year (including summers), the # of transcripts flagged for review

81

Of those transcripts flagged for review, the number found to be irregular

0

Review of Irregularities

If your institution found any irregularities, attach a summary document outlining the entire process of the institutional review of the Academic Integrity Guidelines and how your institution determined irregularities (or upon investigation found no irregularities after flags were raised) pertaining to UNC Policy 700.6.1.1[G], sections V.A.1., V.A.2., and V.A.3.

Please name the uploaded file in the following manner: XXXX_Irregularities (where XXXX=your institutional abbreviation)

GPAs and Student Success Metrics

Provide the results of your institutional analysis of Average Cumulative Student-Athlete GPA and Average Cumulative Non-Student Athletes GPA (see UNC Regulation 700.6.1[R]).

This comparison is for Spring 2023 only, and exclude graduate student athletes in this comparison.

GPA Analysis: Student-Athlete Average Cumulative GPA for Spring 2023 *

3.25

GPA Comparison: Non-Student Athlete Cumulative GPA for Spring 2023 *

3.09

Division I Institutions Enter 2022 Single-Year Academic Progress Rate (APR)

976

Division II Institutions Enter 2022 Single-Year Academic Success Rate (ASR)

Recruited Student-Athlete Academic Majors

Enter the number of majors in each area for all undergraduate recruited student athletes who are enrolled and achieved at least junior academic standing as of the Fall 2022. If any student-athletes are double majors, report both majors. Provide any additional explanation in an attached document.

01 - Agriculture, agriculture operations, & related sciences

0

03 - Natural Resources & Conservation

0

04 - Architecture & Related Services

1

05 - Area, ethnic, cultural, gener, & group studies

0

09 - Communications, journalism, & related programs

67

11 - Computer and information sciences & support services

3

13 - Education

10

14 - Engineering

5

15 - Engineering technologies & engineering-related fields

3

16 - Foreign languages, literatures, & linguistics

0

19 - Family & consumer sciences/human sciences

6

23 - English languate and literature/letters

0

24 - Liberal arts and sciences, general studies, & humanities

0

26 - Biological & biomedical sciences

7

27 - Mathematics & statistics

1

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30 - Multi/interdisciplinary studies

6

31 - Parks, recreation, leisure, & fitness studies

31

38 - Philosophy & religious studies

0

40 - Phyisical Sciences

1

42 - Psychology

10

43 - Homeland security, law enforcement, firefighting, & related protective services

14

44 - Public administration & social service professions

13

45 - Social sciences

8

49 - Transportation & materials moving

0

50 - Visual & performing arts

2

51 - Health Professions

9

52 - Business, management, marketing, & related support services

64

54 - History

0

XX - Undecided

0

Financial Information Related to Intercollegiate Athletics

Per UNC Regulation 1100.1.1[R], each institution is required to report certain financial data pertaining to their intercollegiate athletics program as part of "the University of North Carolina's commitment to ensuring integrity and transparency in its financial and other operations".

As the NCAA has changed the way it makes this information available (no longer accessible from the NCAA Financial Dashboard), all institutions are asked to provide the following financial data from the Institutional Performance Program (IPP) Dashboard.

Total Number of Student-Athletes (scholarship and non-scholarship) *

431

Booster Club Information

Provide your booster club's operating procedures. You may report these operating procedures by pasting in a URL here, or by uploading a document.

Booster Club's Operating Procedures URL (or provide an attached document)

File(s) Upload *

Upload documents (in pdf format) explaining or expounding upon any information above.

Required Documents:

- An explanation of your institution's reporting structure for athletics compliance and whether and to whom the athletics compliance director reports outside of the department of athletics (see UNC Policy 1100.1.1[R]). **Please name the uploaded file in the following manner: XXXX_Reporting_Structure** (where XXXX=your institutional abbreviation).
- Booster Club's operating procedures (if no URL entered above). If uploading the booster club's operating procedures: **Please name the uploaded file in the following manner: XXXX_Booster_Procedures (**where XXXX=your institutional abbreviation).
- The booster club's annual audit by an independent agency. **Please name the uploaded file in the following manner: XXXX_Booster_Audit** (where XXXX=your institutional abbreviation).
- The completed **Athletics_Financial_Reporting** spreadsheet (template sent with announcement message). Add institutional abbreviation to the front of the file name.

ECU_SA_Admissions_Policy.pdf

ECU_Irregularities.pdf

ECU_Reporting_Structure.pdf

ECU_Booster_Procedures.pdf

ECU_Booster_Audit.pdf

ECU_Athletic_Financial_Reporting.xlsx

Drag and drop files here or browse files

Chancellor's Approval *

Please signify that the chancellor, or chancellor's designee, approves the institutional submission of all data in this survey.

☐

Thank you!

When all of your information is complete, please submit the form. You may elect to receive a copy via email.

If you find that you have submitted incomplete and/or incorrect information, please notify Dr. Rondall Rice (rrrice@northcarolina.edu), and he can delete the entry and allow for a resubmission.

☐ Send me a copy of my responses

Submit

Process for Admitting Student-Athletes with Special Talent Waivers

1. The need for a Special Talent Admission request will be determined through the Preliminary Evaluation Process completed by the Office of Compliance in conjunction with the Office of Admissions. A prospective student-athlete who does not meet ECU's regular admission standards will need to be reviewed by the Academic Success Committee's Special Talent Waiver Sub-Committee (ASCST) for admission consideration under the Special Talent "umbrella". The University's regular admission standards change annually and are determined by the Office of Admissions.

2. Once a prospective student-athlete (PSA) has been identified as a Special Talent candidate, the candidate's coach will initiate the process by submitting the "Special Talent Admissions Request Form" to the Office of Compliance which requires Sport Administrator approval.

3. The Office of Compliance will confirm the PSA has a complete admissions file (e.g. high school transcripts, test scores, application, application fee, etc.). A Special Talent Request will not move forward until a PSA has a complete admissions file.

4. The Office of Compliance will create the "Special Talent Admissions Request Packet." This packet will include the following:

   <u>Documents included for a FRESHMAN:</u>
   - Copies of transcripts from ALL institutions attended;
   - Copies of ALL test scores; and
   - Copy of the Preliminary Evaluation.

   <u>Documents included for a TRANSFER:</u>
   - Copies of transcripts from all institutions attended;
   - Copies of all test scores (if applicable);
   - Completed TRACER from all institutions attended;
   - Completed Transfer Assessment Form; and
   - Copy of the Preliminary Evaluation, which will include the transfer GPA.

5. The Office of Compliance will provide the Head Coach with the "Special Talent Admissions Packet." The Head Coach will review the Special Talent Admissions Packet with the Director of Athletics for review and approval via signature.

6. If approved by the Director of Athletics, the "Special Talent Admissions Packet" will be submitted back to the Office of Compliance. The Office of Compliance will then submit the packet to the Academic Success Committee Special Talent Sub-Committee (ASCST) for final approval for the PSA's admittance to the University.

7. The Faculty Athletics Representative (FAR) serves as chair of the ASC's "Special Talent Waiver Request Sub-Committee". The FAR will set a date for the Sub-Committee's review of the Special Talent Request.

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8. If approved by the ASCST, the Office of Compliance will provide the form to the Office of Admissions for processing; they will notify the Office of Compliance of the formal decision in writing once processing is completed.

Guidelines for Review by the Academic Success Special Talent Waiver Sub-Committee

1. The Academic Success Committee (ASC), appointed by the Chancellor, is chaired by the Faculty Athletics Representative and meets as needed. The committee is comprised of three faculty members, The Provost, The Director of Compliance and The Director of Student Development. The ASC has several tasks and one task is to serve as the committee to hear requests for admission waivers for student-athlete special talents. The ASC has appointed a special sub-committee to hear these requests. This sub-committee consists of all three faculty members and The Provost.

2. Upon receipt of the packet from the Office of Compliance, the FAR will schedule a meeting of the sub-committee. The FAR will also request that the Head Coach for the sport that the student-athlete is wanting to join attend this meeting in order to present their case for the student's need for a waiver.

3. The approval of the waiver request by the ASC Sub-Committee is subjective and will be based on many different factors. Some of the factors will include:
    a) A review of the submitting sport's APR. No sport with a current APR below the NCAA minimum will be granted a Special Talent Waiver.
    b) A review of the success of prior students admitted via the special talent process. This information will be used by the ASC to determine whether the prospect should receive a Special Talent Waiver. For example, if the requesting sport has not been able to graduate their student-athletes admitted through this process at a rate commensurate with their overall graduation rate, this information will be considered by the committee in making their final admission decision.
    c) A determination of whether the student-athlete is receiving aid.
    d) A determination of whether the student-athlete is actually a special talent.
    e) A review of other factors specific to the particular student-athlete, the sport, and the head coach.

4. For prospective student-athletes whose academic record places them under one of the following categories, additional information will be required for their packet (however, this information can also be requested by the ASC for any special talent waiver on a case-by-case basis and a coach may include this information even though not required):

    a) Prospective students with a cumulative GPA below a 2.50 (at the time of their Preliminary Evaluation);
    b) Prospective Students who will need a NCAA/American Athletic Conference waiver to be eligible; or
    c) Prospective students who are projected to be an Academic Redshirt as per NCAA Bylaw 14.3.1.2 (Freshmen) or 14.5.4.3 (2-Year College Transfers).

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- ❖ The additional information required is:

    1) A written statement from the head coach to justify why ECU should take a risk on the applicant;
    2) A written statement from the applicant describing his or her academic goals, life plans and any special, mitigating or extenuating circumstances related to the applicant's poor academic record; and
    3) A letter from a high school teacher and/or guidance counselor describing the applicant's commitment to academics and his or her belief that the applicant can successfully complete college level work and earn a degree from ECU.

5. After reviewing the applicant's complete file and supporting documents, the committee will vote on whether to grant the applicant special admission status.
    a) If the vote is made in a face-to-face or virtual meeting, a quorum is required (at least 3 members) for a vote and a majority of those in attendance is all that is required for admittance or denial. If a quorum is not present then those not in attendance will be required to respond by email and acceptance or denial will require a majority vote of 3.
    b) There will be times when the committee will not be able to meet in person. If this occurs the packet will be provided through Teams and the vote will require a majority of the membership (3 members) for admittance or denial.
6. The committee's approval or denial is communicated to the Compliance Office and is considered the proper authority for making this admission decision. However, the Chancellor retains the right to overrule all admission decisions.

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East Carolina University
Institutional Review of Academic Integrity Guidelines
Summer 2022-Spring 2023

Summary Document

Reviewers
An audit of student-athlete course enrollment for the 2022-23 academic year was conducted by Angela Anderson – Academic Affairs, Wayne Poole – Internal Audit, and Stephanie White – Student-Athlete Academic Services

Data Timeframe Reviewed
The terms reviewed for this report included: all three Summer sessions 2022 (1st session, 2nd session, and the 11-week session), Fall 2022, and Spring 2023.

Review Process
The audit team used a business analytics tool to independently review the data. The team then came together to examine the scenarios that each reviewer had identified as warranting further attention.

Grade distribution (athletes and non-athletes) within flagged sections
Courses with a student-athlete enrollment of 20% or higher were identified as flagged and were examined in detail. UNC policy considers a section "flagged" when 25% or more of the enrollees are student-athletes. ECU, however, has historically set a higher standard and has reviewed sections with 20% or more student-athlete enrollees. Both the total number of students enrolled and the number of sections offered for a specific course were considered in the review.

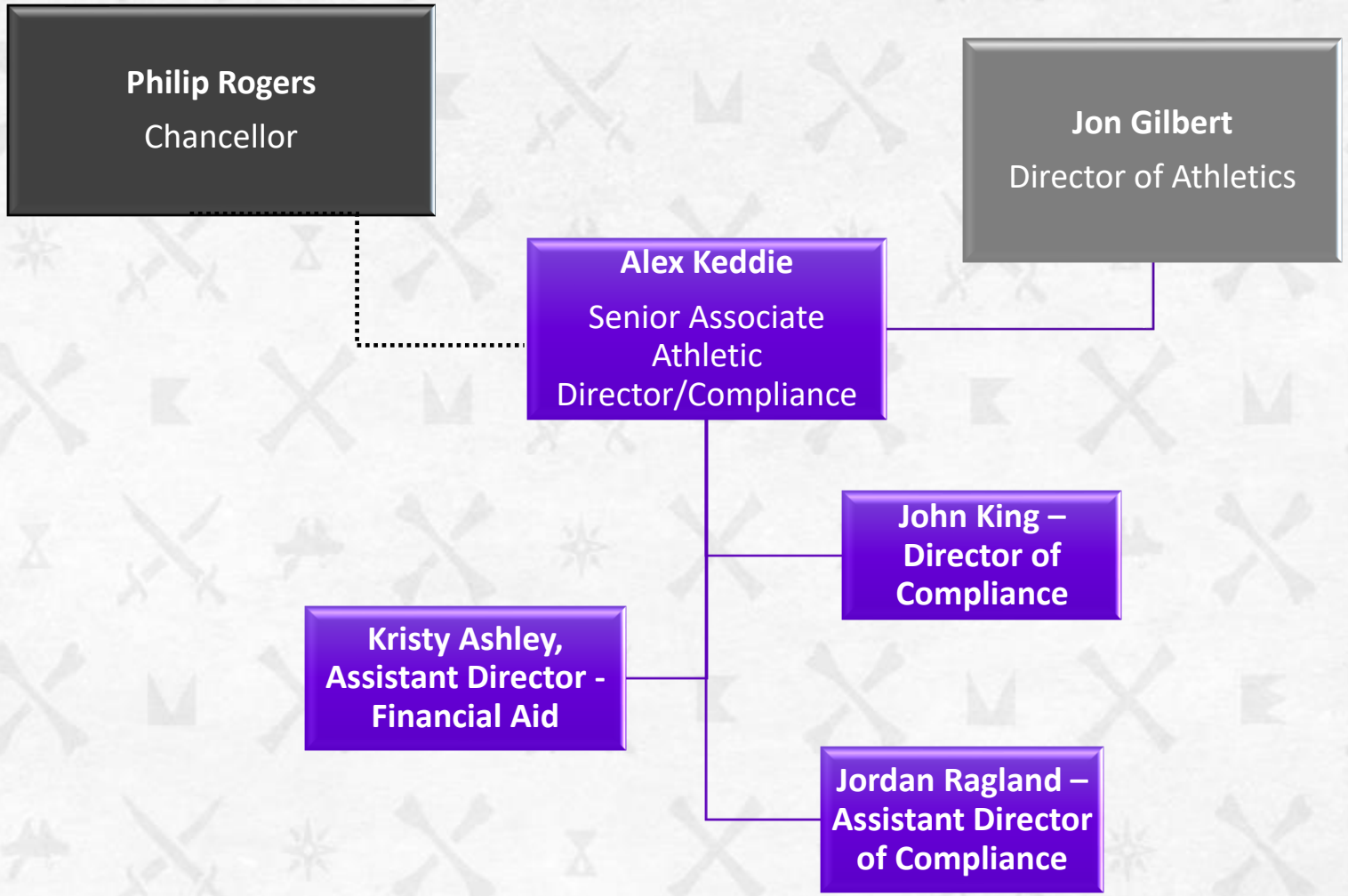
For this reporting year, the audit identified 98 sections with 20% or more student-athletes. The review team examined these sections and identified those courses that should be considered in detail. The team concluded no irregularities.

Grade distribution between flagged and non-flagged sections of the same course
Course sections were examined for student-athlete grade distribution. This included courses with student-athlete enrollment as well as the same-named courses with no student-athlete enrollment. A scatterplot review of the data was used to examine the courses. No irregularities were found.

Transcript review for student-athletes enrolled in three or more flagged sections
Student-athletes enrolled in three or more sections with 20% or higher student-athlete enrollment for the academic period Summer 2022 – Spring 2023 were identified for further review. A total of 81 student-athletes were identified. The review team then closely examined the transcripts of those students. No irregularities were noted.

Conclusion
Review of student-athlete course enrollment analytics was completed for the 2022-23 academic year. No unexplained irregularities were identified, which would require reporting to the Provost and/or corrective action.

Overview of Department & Reporting Structure



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BY-LAWS OF
EAST CAROLINA UNIVERSITY
EDUCATIONAL FOUNDATION, INC.

ARTICLE I
NAME

The name of this corporation is EAST CAROLINA EDUCATIONAL FOUNDATION.INC. (hereinafter referred to as the "Foundation"), and its purposes and objects as set forth in part of its Certificate of Incorporation issued by the Secretary of State for the State of North Carolina are as follows:

1. To provide assistance to worthy young men and women seeking an education at EAST CAROLINA UNIVERSITY. ("The University").

2. To support University programs by providing funds for student athlete scholarships, compensation assistance for coaches and key athletic department staff, construction of athletic-related facilities, the purchase of equipment for such programs and other support of the athletics programs of EastCarolina University.

3. To operate and carry out all other programs, activities and endeavors for charitable, educational, literary, or religious and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954 as amended and Chapter SSA (the Nonprofit Corporation Act), as amended, of the General Statutes of North Carolina.

4. And to these ends to take and hold by bequest , devise, gift, grant, purchase, lease or otherwise any property, real, personal, tangible or intangible, or any undivided interest therein without limitation as to dollar value; to sell, convey, assign, or otherwise dispose of any such property and to invest, reinvest or deal with the principal or the income thereof in such manner as in the judgment of the Board of Community Directors (or the Executive Committee between meetings of Directors) as will best promote the objects and purposes of the Foundation and The University without limitation, if any, as may be contained in the instrument under which such property is received; these By-Laws and the amendments thereto; the Articles of Incorporation of the Foundation; any Operating Agreement between the Foundation and the University; and the laws applicable thereto.

S. To do any other act or thing incidental to or connected with the foregoing objects and purposes or in the advancement thereof, but not for the pecuniary profit or financial gain of its directors or officers, except as permitted under Section SSA-3-02 of the Nonprofit Corporation Act of North Carolina.

ARTICLE II
OFFICES

Section 1. Principal Office. The principal office of the Foundation shall be located at the Ward Sports Medicine Building at East Carolina University, Greenville, North Carolina.

Section 2. Registered Office. The registered office of the Foundation shall be located at the address above for the principal office of the Foundation.

Section 3. Other Offices. The Foundation may have offices at such other place, either within or without the State of North Carolina, as the Executive Committee may from time to time determine, or as the affairs of the Foundation may require.

ARTICLE III
The Executive Committee

Section 1. General Powers. The business, property and affairs of the Foundation shall be managed by a the Executive Committee, which shall have the power to initiate and approve plans and programs for the promotion of the Athletic Program of East Carolina University; have custody and management of the land, buildings, equipment, securities and all other property of the Foundation; adopt the annual budget of the Foundation; borrow money, raise and disburse funds; invest and re-invest funds of the Foundation; sell, buy and exchange properties and securities of the Foundation, make contracts; appoint an Executive Secretary, and delegate power to appoint employees of the Foundation; recommend, in accordance with University and North Carolina policies, to the Chancellor the compensation of all employees of the Foundation; and perform all other duties and shall have such other powers as may be necessary to carry out the purpose of the Foundation.

Section 2. Number. There shall be a governing board with all the rights, powers and responsibilities of a Board of Directors as described pursuant to the laws of the State of North Carolina and these By-Laws. It shall be called

the Executive Committee. The Executive Committee shall be composed of the following: one (1) Executive President; one (1) Executive Vice-President; fifteen (15) Executive Committee members; one (1) Executive Secretary; one (1) Executive Treasurer; the Immediate Past Executive President; and any duly elected Directors Emeritus. The Chancellor of the University, the Faculty Athletics Representative and the Athletics Director shall be ex-officio voting members of the Executive Committee as set out in Article V, Section 1 below. The election of Executive Committee members shall be staggered so that five (5) Executive Committee members shall be elected annually. In addition, a minimum of one active or immediate past Chapter President shall serve on the Executive Committee at all times.

Section 3. Tenure. An individual may be elected up to two consecutive full terms. In the event a member has served for two consecutive terms, or any portion thereof, the individual cannot serve another term for a period of at least one (1) year from the expiration of the previous term.

Section 4. Vacancies. The Executive Committee shall have the power at any time to fill any vacancy among the Executive Committee members, and the Executive Committee member so elected to fill any such vacancy shall serve until the Winter meeting of the Community Directors or until their successors are elected. The selection of a member cannot be done in violation of Article IV, Section 2 above.

Section 5. Directors Emeritus. In addition to the elected members, the Community Chapter Directors may from time to time name members who shall be designated Executive Committee Directors Emeritus. Such members shall serve until their death, resignation or upon a vote of the Chapter Director as set out below. A Director Emeritus shall have all voting powers as if duly elected. To be eligible for such designation, an individual must have served at least two (2) terms as an elected member of the Executive Committee and have exhibited loyal and long-standing efforts, which are notable in their accomplishment, in support of the Foundation and University and their respective goals. At any time, there shall not be more than two (2) individuals serving as Directors Emeritus. Such members may be designated or removed upon the nomination by a Community Chapter Director and a two-thirds (2/3) majority vote of the Chapter Directors.

Section 6. Duties. Executive Committee members shall attend all meetings of the Executive Committee and Community Board of Directors and shall also perform such other duties as may be designated to the office by the Executive President or Board of Community Directors.

Section. 7. Election of Executive President, Executive Vice-President and Executive Directors of the Foundation. At the scheduled regular Winter meeting in each calendar year, there shall be held an election to determine the Executive President, Executive Vice-President and Executive Committee Members for the coming year. Nominations for the offices of Executive President, Executive Vice-President and Executive Committee Members may come from a Nominating Committee appointed by the Executive Committee prior to the election. The Nominating Committee must include the Executive President, Executive Vice President, Executive Secretary, a minimum of one currently serving or immediate past Chapter President and other Executive Committee members as appointed by the Executive President. Any individuals nominated by the Nominating Committee for the positions of Executive President, Executive Vice-President or Executive Committee Members of the Foundation shall be placed on a ballot and distributed at least thirty (30) days prior to the regularly scheduled Winter meeting of the Executive Committee. Nominations from the general membership will be solicited prior to the meeting via public notice.

The Executive President of the Foundation will consult regarding the nominating committees recommendation to the Executive Committee with the Chancellor prior to the regularly scheduled Winter meeting of the Foundation. Nominees will be confirmed by a majority vote of the Executive Committee at the Winter meeting of the Foundation.

ARTICLE IV
EXECUTIVE COMMITTEE POWERS AND DUTIES

Section 1. Members. The Executive Committee shall be composed of the following: one (1) Executive President; one (1) Executive Vice-President; fifteen (15) Executive Committee members; one (1) Executive Secretary; one (1) Executive Treasurer; the Immediate Past Executive President; and any duly elected Directors Emeritus. The Chancellor of the University, the Faculty Athletics Representative and the Athletics Director shall be ex-officio voting members of the Executive Committee. A minimum of one (1) of the (15) Executive Committee members shall be a currently serving Chapter President.

Section 2. Power. The Executive Committee shall be the administrative body of the Foundation and shall have the power to make policies concerning the operation of the Foundation. . The Executive Committee shall have the authority to appoint members to standing as well as ad hoc committees. Standing committees include:

(1) Advisory Committee
(2) Audit Committee
(3) Compensation and Personnel Committee

(4) Investment Committee
(5) Nominating Committee
(6) Planned Giving Committee
(7) Real Estate Committee

The membership of committees shall not be limited to individuals who are members of the Executive Committee or currently serving or immediate past Chapter Presidents if they bring special qualifications to the job. The Audit Committee members shall include the Executive President, the Executive Vice-President, and such others as may be appropriate to its work.

Section 3. Duties. It shall be the duty of the Executive Committee to collaborate with the Executive Secretary in the preparation and supervision of budgets, annual statements, audits and such other duties.

Section 4. Meetings. Meetings of the Executive Committee may be held at the call of the Executive President who shall designate the time, place and purpose of the meeting and shall give notice of the time, place and purpose of said meeting to the members of the Executive Committee. A quorum shall consist of nine (9) members.

Section 5. Action Without Meeting. Action required or permitted to be taken at a meeting of the Executive Committee may be taken without a physical meeting by way of a conference call, telephone ballot, written/telecopier, or electronic/internet ballot to all members of the Executive Committee. The action must be evidenced by written responses signed by each voting member attesting to such action, or documented in the minutes by the Executive Secretary for any telephone ballot or meeting held by way of conference call, or electronic/internet method and filed with the Foundation records.

ARTICLE V
OFFICERS

Section 1. Officers General. The Officers of the Foundation shall be an Executive President, an Executive Vice-President, an Executive Secretary, and an Executive Treasurer. The Executive President and the Executive Vice- President shall be elected by the Executive Committee at the scheduled Winter meeting. The Executive President and the Executive Vice-President may serve for multiple one year terms.

Section 2. Vacancies. The Executive Committee shall have the power at any time to fill vacancies among the officers, and officers so elected to fill such vacancies shall serve until the Winter meeting of the Community Directors or until their successors are elected.

Section 3. Executive President. The Executive President shall preside over all meetings of the Executive Committee; shall appoint the members *of* and chairpersons *of* all committees and shall be an ex-officio member of all such committees; and shall assign such papers as may be directed by the Executive Committee. The Executive President shall make such reports and recommendations to the Executive Committee at any regular or special meetings concerning the work and the affairs of the Foundation as in his or her judgment are necessary; may require such reports from the Executive Treasurer and Executive Secretary as in his or her judgment are necessary, and shall perform such other duties as may be incidental to the office.

Section 4. Executive Vice-President. The Executive Vice-President shall perform the duties of the Executive President in case of his or her absence, resignation or inability to act. He or she shall, also, perform such other duties as may be designated to the office by the Executive President or Board of Community Directors.

Section 5. Executive Secretary. The Executive Secretary as appointed under Article VII shall serve as Executive Secretary of the Foundation and the Executive Committee. The Executive Secretary shall issue in writing all notices of meetings of the Executive Committee: notify individuals elected to office or Executive Committee; keep complete records of the meetings of the Executive Committee, including an accurate record of attendance of members; shall mail such other notices as may be directed by Executive Committee; shall be custodian of all records of the Foundation, except such records and papers as shall be kept by the Executive Treasurer as herein provided; shall sign such papers as may be required by his or her office or as directed by the Executive Committee; and shall perform such other duties as may be incidental to the office.

Section 6. Executive Treasurer. The Vice Chancellor for Administration and Finance of the University or a designee approved by the Executive Committee shall serve as the Treasurer of the Foundation. The Treasurer shall oversee custody of all monies and securities of the Foundation and shall oversee the maintenance of regular books. All money of the Foundation shall be deposited into such depositories as shall be selected by the Directors. He shall ascertain through information provided by the Executive Secretary, Foundation administrative staff and University financial staff that a full and accurate account is made of all monies received and paid on the accounts administered by the Foundation. He or she shall receive and have custody of all deeds, securities, notes, contracts, and other financial papers of the Foundation and shall make reports thereof to the Executive President as required. He or she shall cause the books of account *of* the Foundation to be audited at least once annually, and shall cause to be prepared, and shall present each year, a comprehensive financial statement including the report of the auditor. He or

she shall sign such papers as may be required by the office or as may be directed by the Executive Committee and shall perform such other duties as may be incidental to the office.

Section 7. Immediate Past Executive President. The immediate Past Executive President of the Foundation shall *serve* as an advisor to the Executive President of the Foundation and to the members of the Executive Committee.

ARTICLE VI
CONFLICTS OF INTEREST

Any member of the Executive Committee who has a direct or indirect financial interest in any contract or transaction with the Foundation must disclose such interest to the Executive Committee. The member shall not participate in discussions regarding the subject matter disclosed and shall not vote on any action relating to said subject matter. Further, he or she shall sign and have filed in the Foundation Office a Conflict of Interest Statement, which shall be updated annually.

ARTICLE VII
EXECUTIVE SECRETARY

Section 1. Appointment. The Executive Committee shall recommend to the Chancellor an individual to serve as Executive Secretary of the Foundation..

Section 2. Duties. The Executive Secretary shall manage the affairs, direct the work of all employees of the Foundation, subject to, and in accordance with, the directions of the Executive Committee; shall prepare budgets of expenses for the approval of the Executive Committee; and shall be authorized to incur expenses in accordance with the approved budget, or as directed by the Executive Committee. The Executive Secretary shall attend all meetings of the Executive Committee unless otherwise directed by the Executive Committee and shall from time to time make reports of the work and the affairs of the organization to the Executive President and the Executive Committee. The Executive Secretary shall perform such other duties as shall be assigned to him by the Executive Committee. The Executive Secretary and all other employees of the Foundation shall be bonded as determined by the Executive Committee.

ARTICLE VIII
CONTRACTS, CHECKS, DEPOSITS. AND FUNDS

Section 1.Contracts. The Executive Committee may authorize any officer or officers, agent or agents of the Foundation, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and

deliver any instrument, including the demise of assets, accept gifts and perform any other act or execute any document in the name of and on behalf of the Foundation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued inthe name of the Foundation, shall be signed by such officer or officers, agent or agents of the Foundation and in such manner as shall from time to time be determined by resolution of the Executive Committee. Inthe absence of such determination by the Executive Committee, such instruments shall be signed by the Executive Treasurer or Executive President of the Foundation.

Section 3. Deposits. All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, or other depositories as the Executive Committee may select.

Section 4. PCI Compliance. Acceptance of all credit card payments (commonly referenced as merchant accounts) or other electronic payments of that nature shall be done with all due diligence and at the least in compliance with the National PCI standards. Appropriate compliance shall be done in coordination with the University Compliance Committee on such standards.

Section 5. Gifts. The Executive Committee may accept on behalf of the Foundation any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the Foundation. The Executive Committee shall have the power on behalf of the Foundation to decline any contribution, gift, bequest, or devise when in its opinion the acceptance or proposed special purpose shallnot be inthe best interest of the Foundation or the University.

Section 6. Indebtedness. No indebtedness of the Foundation shall be incurred other than in the normal course of business, except as may be approved by resolution adopted by a majority of the Executive Committee. Any or all of such indebtedness may be represented by notes, debentures, bonds or other securities, either unsecured or secured by or issued under a mortgage, trust indenture, or otherwise, and may be issued at such times and upon such terms as the Executive Committee shall determine in collaboration with the Director of Athletics, the Chancellor and the Vice President of Finance for the University. Any indebtedness of any nature shall comply with the terms of any Operating Agreement then in existence between the Foundation and the University.

ARTICLE IX
BOOKS AND RECORDS

The Foundation shall keep correct and complete books and records of account, and shall also keep minutes of the proceedings of its donors, the Executive Committee, and all committees having any of the authority of the Executive Committee, and shall keep in the registered or principal office a record giving the names and addresses of the members. All books and records of the Foundation may be inspected by any donor, or his agent or attorney, for any purpose at any reasonable time with the exception of individual giving records identifying donors including those specifically requesting anonymity.

ARTICLE X
FISCAL YEAR

The Foundation shall be on a fiscal year beginning July 1, of each year and ending June 30, of each year.

ARTICLE XI
SEAL

The Executive Committee shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Foundation

ARTICLE XII
SCHOLARSHIPS

All scholarships awarded by the Foundation to students; any other relationships between the Foundation and students as well as relationships with employees; agents and any other representatives of East Carolina University shall be in conformity with the rules and regulations of East Carolina University; The National Collegiate Athletic Association and those conferences in which the University's athletics program may from time to time participate.

ARTICLE XIII
INDEMNIFICATION

Any person who at any time serves or has served as a member of the Executive Committee or officer of the Foundation, or in any such capacity at the request of the Foundation for any other corporation, partnership, joint venture trust or other enterprise, shall have a right to be indemnified by the Foundation against (a) reasonable expenses, including attorney's fees actually and necessarily incurred by such person in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, whether or not brought by or on behalf of the

Foundation, seeking to hold such person liable by reason of the fact that he or she is or was acting in such capacity, and (b) reasonable payments made by such person in-satisfaction of any judgment, money decree, fine, penalty or settlement for which he may have become liable in any such action, suit or proceeding; provided however, that the right of indemnification provided herein shall not extend to any willful misconduct or criminal acts on the part of any such person.

The Executive Committee of the Foundation shall take all such action as may be necessary and appropriate to authorize the Foundation to pay the indemnification required by this Article, including without limitation, making a good faith evaluation of the manner in which a claimant for indemnity acted, based upon the standards set forth in the preceding paragraph, and the reasonable amount of indemnity due him.

Any person who, at any time after the adoption of this Article, serves or has served in any of the aforesaid capacities for or on behalf of the Foundation shall be deemed to be doing so or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this Article.

ARTICLE XIV
CHAPTER PRESIDENTS

Section 1. Number, Term and Qualification. Chapter Presidents shall be nominated and elected by members of each local chapter according to each chapter's process. All selections will be recommended to and confirmed by a vote of the Executive Committee of the Foundation at the Winter meeting of the Executive Committee. The number of Chapter Presidents shall be equal to the number of active Pirate Club Chapters. Chapter Presidents must be an active member of the Pirate Club and in good standing as determined by the Executive Committee. Chapter President's serve on one (1) year renewable terms and must be confirmed each year.

Section 2. Duties. Under the direction of the Executive Committee and in accordance with Foundation staff Chapter Presidents will serve as the volunteer leader for their assigned chapters. They will be responsible for the following:

(1) Maintain a detailed financial record for all assigned chapter activities in accordance will the standards set by the Executive Committee.

(2) Serve on any boards and / or committees as requested by the Executive Committee

(3) Be a positive representative of the Foundation, ECU Athletics and East Carolina University at all time.
(4) Assist staff with fundraising and friend raising in assigned chapter.

Section 3. Removal. Any Chapter President who fails to fulfill the responsibilities of his or her position shall be *removed* from office by the community chapter or the Executive Committee by a majority vote.

Section 4. Replacement. The community chapter shall have the power to fill vacancies which occur by reason of death, resignation, or otherwise. Selections will be confirmed by the Executive Committee by a majority vote at the next scheduled or called Executive Committee meeting.

ARTICLE XV
DISPOSITION OF ASSETS UPON DISSOLUTION

It is the intent of the Foundation that it have perpetual existence and that all funds be managed according to donor intent. In the event of dissolution of the Foundation, either voluntary or involuntary, all assets and property which remain after the discharge of the Foundation's liabilities and unless otherwise designated by the donor of an asset shall be paid over or distributed by the Foundation's Executive Committee to University's Athletics Department pursuant to regulations of the University of North Carolina. This provision shall continue beyond the dissolution of the Foundation.

ARTICLE XVI
AMENDMENTS

These By-Laws may be amended, replaced or new By-Laws may be adopted by a majority vote of the members of the Executive Committee at any regular or special meeting, providing notice of the proposed change is given in the notice of the meeting at least thirty (30) days prior to the meeting.

ARTICLE XVII
EFFECTIVE DATE

Upon adoption by the Executive Committee present and voting, these By-Laws shall become effective.

_____
Jason M. Batt, Executive Secretary

I attest that these By-Laws were approved at the East Carolina University Educational Foundation Executive Committee meeting conducted on September 25, 2015.

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East Carolina University Educational Foundation, Inc.

Financial Statements

Years Ended June 30, 2023 and 2022

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PIRATE CLUB

Management's Discussion and Analysis

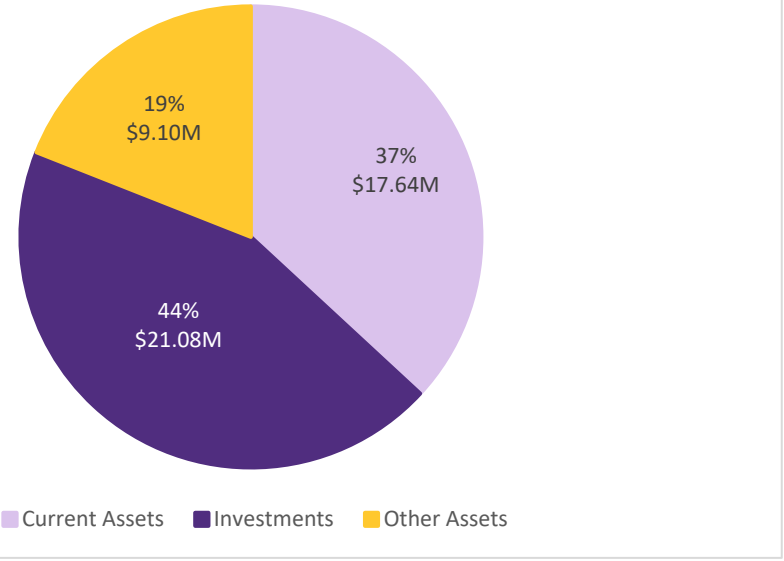
January 11, 2024

The East Carolina University Educational Foundation, Inc. (the "Foundation"), is a 501(c)(3) organization whose mission is to be the friend-raising and fund-raising arm of East Carolina University's Division I athletics program. The attached financial statements, audited by the firm of Bernard Robinson & Company LLP, received an unmodified opinion. The unmodified opinion from our auditors reflects the commitment of our volunteers and staff to stewarding the Foundation's resources in a responsible manner while fulfilling the Foundation's mission with honesty and integrity and in compliance with the rules and regulations that govern its operations.

The following graphs and explanations summarize the financial results for the year ended June 30, 2023.

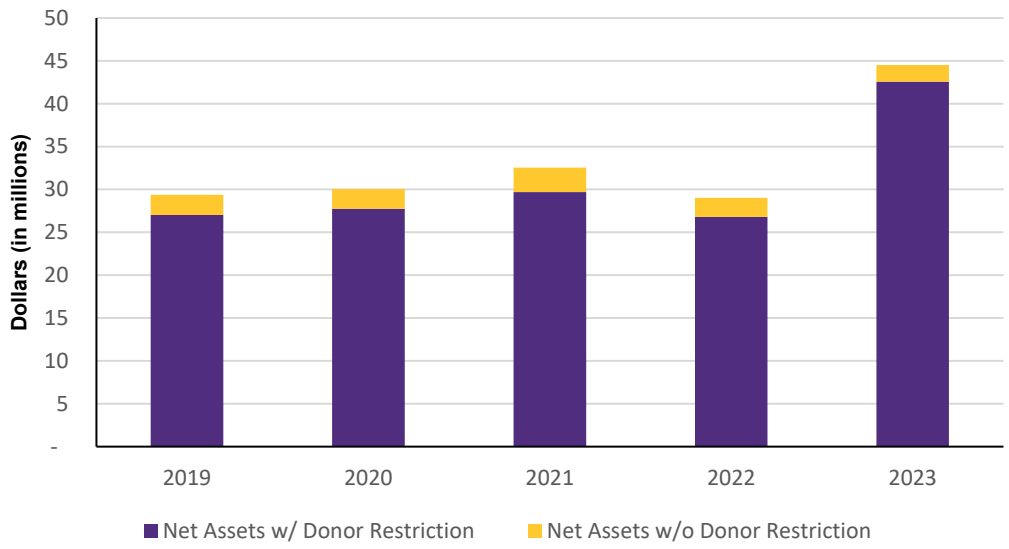
Total assets of the Foundation at June 30, 2023 were $47.8 million. The Foundation's investments represented the largest percentage of the Foundation's assets at the end of the fiscal year (see Figure 1).

Figure 1
Total Assets



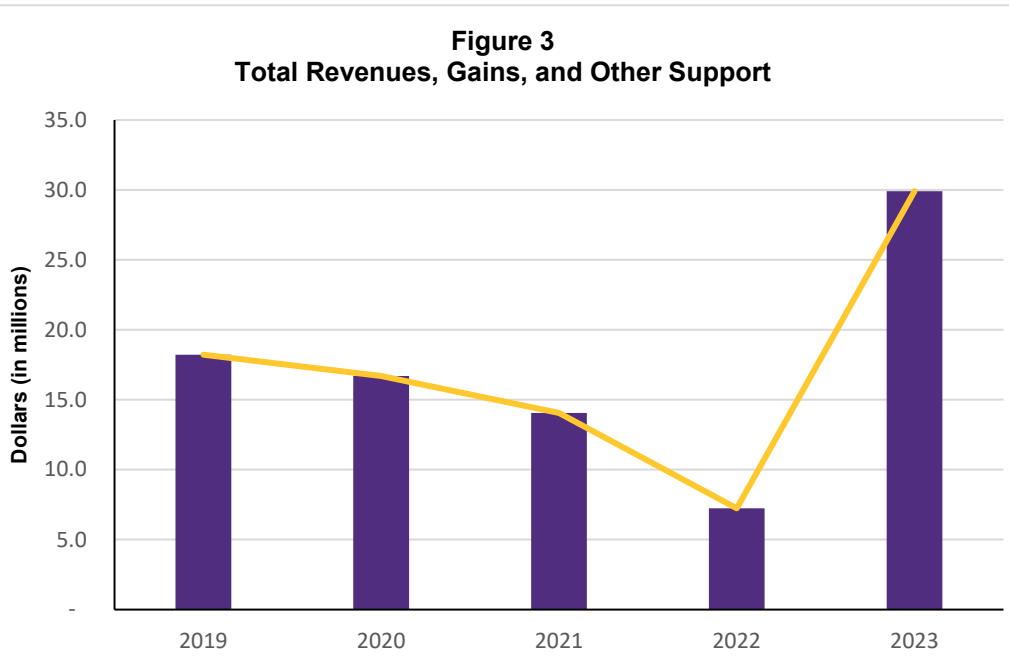
The Foundation's ending total net assets of $44.5 million increased by 53.4% over the prior year's ending net assets (see Figure 2).

Figure 2
Net Assets



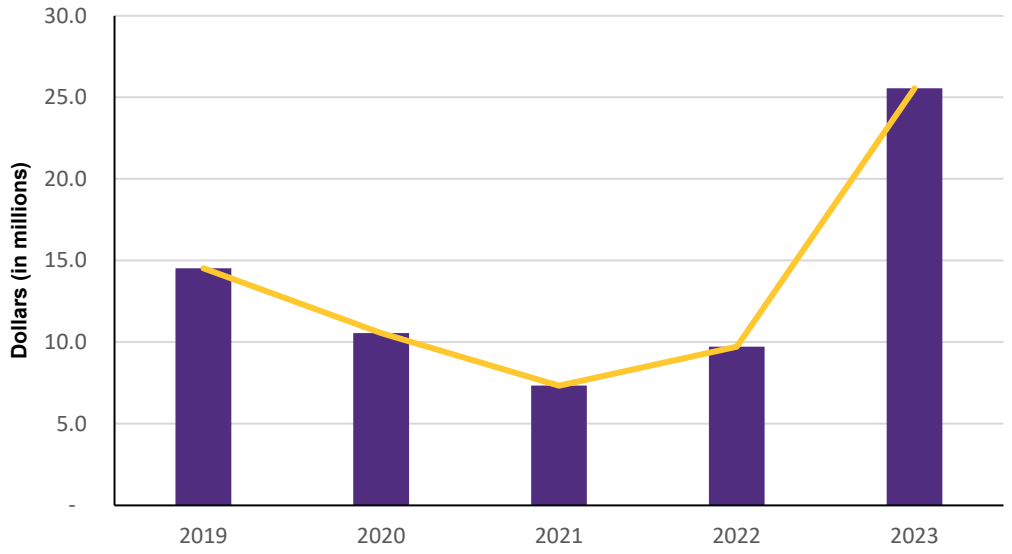
Total revenues, gains, and other support received by the Foundation during the year were $29.9 million. As illustrated by Figure 3, the change in total revenues represented a 313.4% increase compared to the previous year's total revenue of $7.2 million. This was the result of increased investment returns and increased contributions. Pirate Club's focus in fiscal year 2023 was raising money towards multiple projects that are part of the Pirates Unite Campaign for Comprehensive Excellence.

Figure 3
Total Revenues, Gains, and Other Support



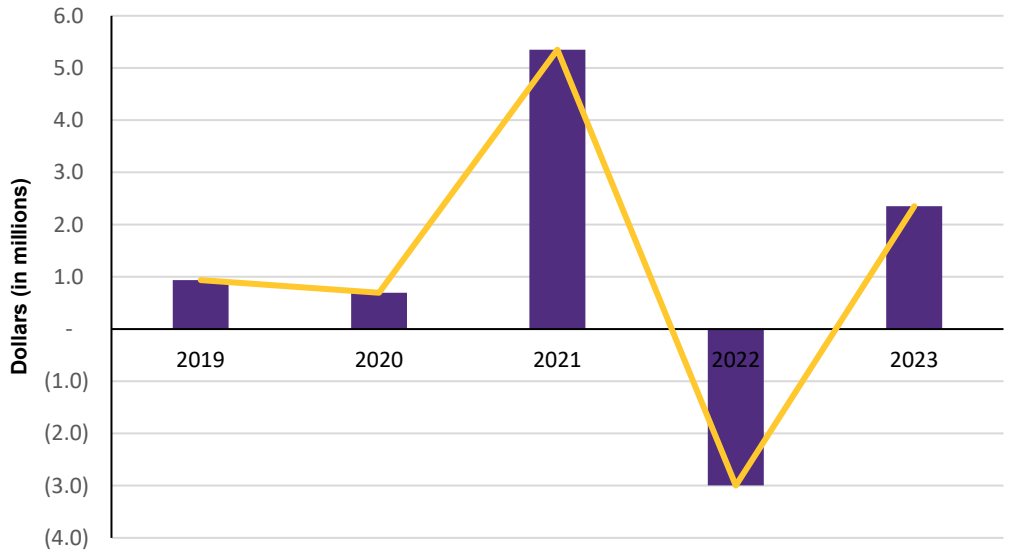
Gifts to the Foundation for fiscal year 2023 totaled $25.5 million, an increase of 163% compared to the prior year (see Figure 4). The increase in contribution revenue is primarily related to contributions with donor restrictions. During fiscal year 2023, the Foundation focused fundraising efforts on the Pirates Unite Campaign for Comprehensive Excellence ("Campaign"). As evidenced by the increase in contribution revenue, the Campaign attracted significant support from Pirate Club members.

Figure 4
Contribution Revenue



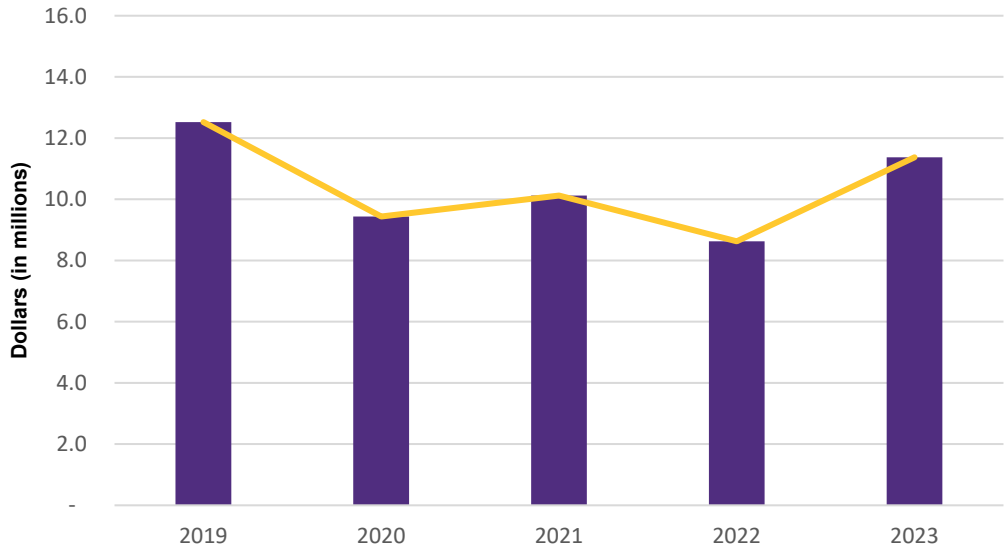
The Foundation sustained a net gain on investments for fiscal year 2023 of $2.4 million, as shown in Figure 5. For the year ended June 30, 2023, the Foundation's investments produced a net gain of 11.6% compared to a net loss of 13.3% for the year ended June 30, 2022.

Figure 5
Investment Returns



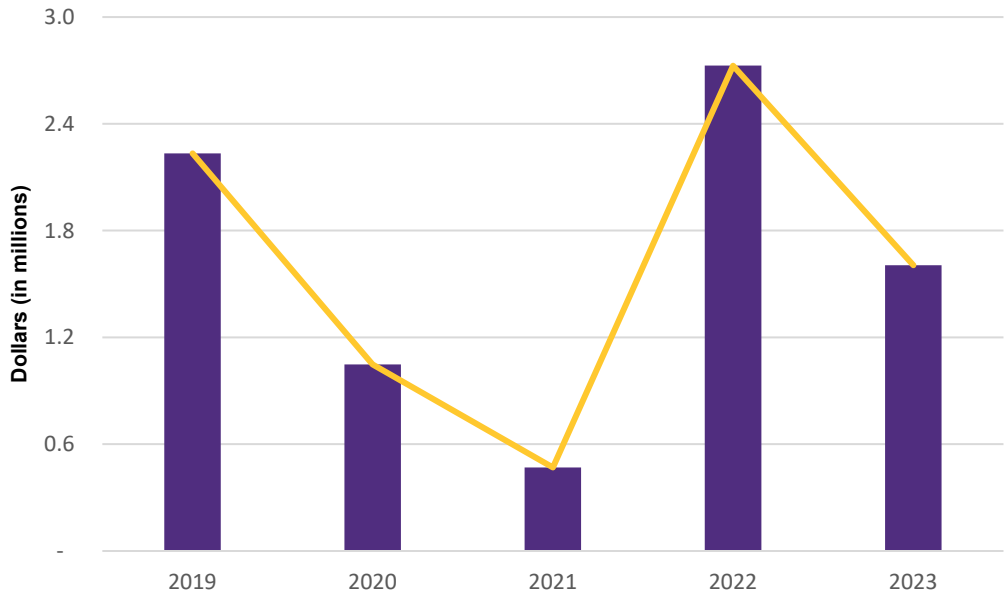
A major focus of the Foundation is to raise, manage, and provide private resources for program services for the student athletes of East Carolina University. The Foundation provided $11.4 million in program services for the fiscal year ended June 30, 2023, an increase from fiscal year ended June 30, 2022 (see Figure 6). This is primarily related to increases in facility enhancement expenses.

Figure 6
Program Services



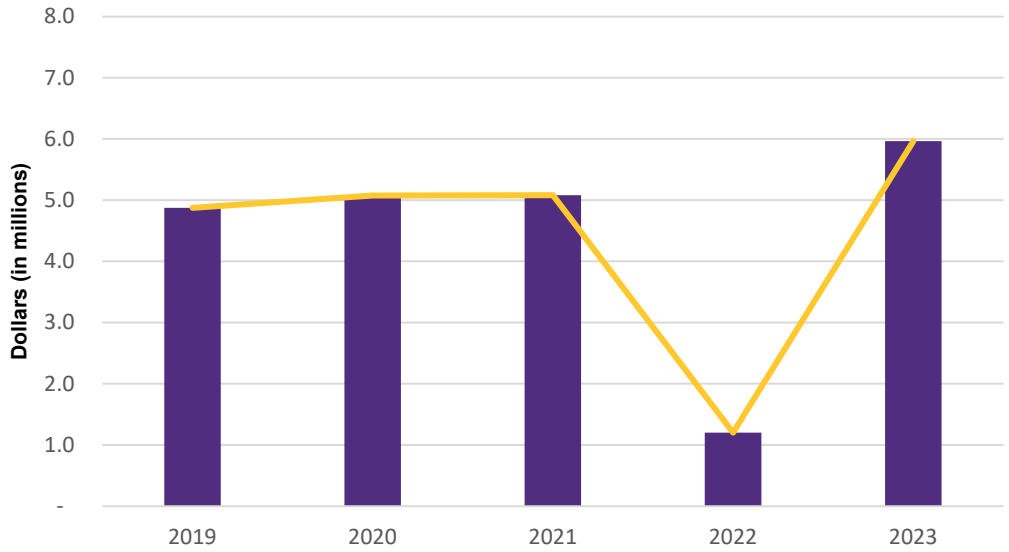
The increase in program services in fiscal year 2023 is primarily a result of a decrease in program development (Figure 7) and scholarships (Figure 9) expenses against a significant increase in facility enhancements expenses (Figure 8). The decrease in program development is primarily related to expense associated with professional fees for the negotiator for Athletics Multimedia Rights contract that were incurred in fiscal year 2022.

Figure 7
Program Development



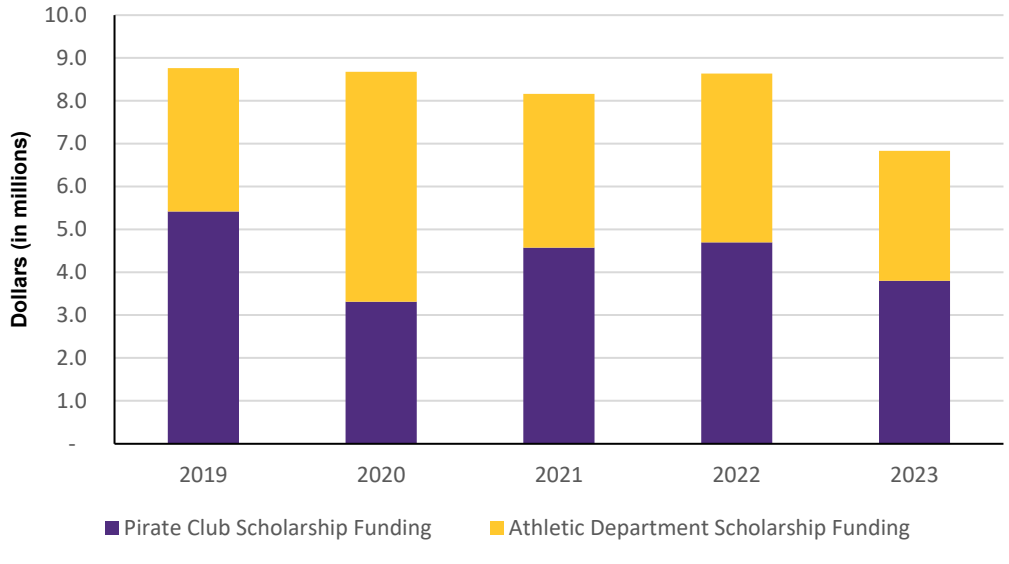
The increase in facility enhancement expense is primarily related to the multiple capital projects completed during fiscal year 2023. Construction of the Rogers Family Performance Center along with upgrades to the Minges Swimming & Diving locker rooms was completed during fiscal year 2023. Additionally, the Foundation provided support for a portion of the Dowdy Ficklen Stadium scoreboard upgrades.

Figure 8
Facility Enhancement



Scholarship support is a key component of the program service support provided by the Foundation. The Foundation provided scholarship support for the fiscal year ended June 30, 2023 of $3.8 million. This scholarship support helped fund the $6.8 million of total athletic scholarship expense paid by the East Carolina University athletics department during fiscal year 2023. Scholarships support, as shown in Figure 9 decreased in fiscal year 2023 as a result of increased facilities support provided in lieu of scholarships.

Figure 9
Athletic Scholarship Expense



The Foundation is a vibrant, forward-looking organization committed to playing a significant role in the future development of the University athletics program. The financial information that follows provides additional insights into the Foundation's financial position and fiscal year results.

If you have any questions, please contact us.

Ryan Robinson
Executive Director

Stephanie M. Coleman
Executive Treasurer
Vice Chancellor for Administration & Finance,
East Carolina University

Brittany Stockstill
Controller

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Bernard Robinson & Company, L.L.P.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
East Carolina University Educational Foundation, Inc.
Greenville, North Carolina

Opinion

We have audited the accompanying financial statements of East Carolina University Educational Foundation, Inc. (the "Foundation") (a nonprofit corporation), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Carolina University Educational Foundation, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of East Carolina University Educational Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about East Carolina Educational Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about East Carolina University Educational Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Management's Discussion and Analysis is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. We have applied certain limited procedures to the information, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audits of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
January 11, 2024

East Carolina University Educational Foundation, Inc.
Statements of Financial Position
June 30, 2023 and 2022

	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 10,373,892**	$ 5,849,637
Current portion of unconditional promises to give, net (Note 3)	**7,084,830**	1,307,129
Prepaid expenses	**128,393**	4,680
Other receivables	**48,169**	184,918
Total current assets	**17,635,284**	7,346,364
Investments:		
Investments (Notes 5 and 6)	**20,883,179**	19,240,466
Real estate held for investment (Notes 6 and 7)	**201,252**	201,252
Total investments	**21,084,431**	19,441,718
Operating right-of-use asset	**50,436**	-
Other assets:		
Other assets	**-**	1,129,094
Life insurance policy - cash surrender value	**772,145**	703,364
Beneficial interest in charitable remainder trusts (Note 6)	**2,048,372**	1,102,257
Unconditional promises to give, less current portion (Note 3)	**6,223,961**	3,379,332
Total other assets	**9,044,478**	6,314,047
Total assets	**$ 47,814,629**	$ 33,102,129

See accompanying notes.

	2023	2022
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	**$ 164,992**	$ 588,477
Accrued expenses	**133,503**	127,268
Current portion of operating lease liability (Note 16)	**29,239**	-
Current portion of notes payable (Note 9)	**450,000**	450,000
Current portion of charitable gift annuities payable (Notes 6 and 8)	**975**	975
Current portion of deferred revenue	**177,991**	12,930
Total current liabilities	**956,700**	1,179,650
Long-term liabilities:		
Notes payable, less current portion (Note 9)	**832,383**	1,282,383
Other non-current liability (Note 10)	**1,375,000**	1,512,500
Operating lease liability, less current portion	**19,833**	-
Charitable gift annuities payable, less current portion (Notes 6 and 8)	**3,920**	4,667
Deferred revenue, less current portion	**118,160**	112,784
Total long-term liabilities	**2,349,296**	2,912,334
Total liabilities	**3,305,996**	4,091,984
Net assets:		
Without donor restrictions (Notes 13 and 14)	**1,930,557**	2,204,573
With donor restrictions (Notes 11, 12, and 14)	**42,578,076**	26,805,572
Total net assets	**44,508,633**	29,010,145
Total liabilities and net assets	**$ 47,814,629**	$ 33,102,129

See accompanying notes.

East Carolina University Educational Foundation, Inc.
Statements of Activities
Year Ended June 30, 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Contributions	$ 6,987,660	$ 17,881,055	$ 24,868,715
Gifts in kind (Note 17)	382,171	297,896	680,067
Contributed services and facilities (Notes 15 and 17)	745,300	-	745,300
Return on investments:			
Interest and dividends	55,486	705,083	760,569
Net realized and unrealized gains (losses) on investments	5,534	1,586,596	1,592,130
Other income	253,396	8,000	261,396
Loss on disposition of property	-	(16,246)	(16,246)
Change in value of split interest agreements	-	946,115	946,115
Change in value of charitable gift annuity	-	(228)	(228)
Change in value of life insurance	(4,240)	73,022	68,782
Net assets released from restrictions (Note 12)	4,991,466	(4,991,466)	-
Total revenues, gains, and other support	13,416,773	16,489,827	29,906,600
Expenses:			
Program services:			
Program development	1,605,040	-	1,605,040
Facility enhancement	5,964,796	-	5,964,796
Scholarships	3,800,954	-	3,800,954
Total program services	11,370,790	-	11,370,790
General and administrative	2,221,809	-	2,221,809
Fundraising	98,190	-	98,190
Total operating expenses	13,690,789	-	13,690,789
Bad debt losses	-	717,323	717,323
Total expenses	13,690,789	717,323	14,408,112
Changes in net assets	(274,016)	15,772,504	15,498,488
Net assets, beginning of year	2,204,573	26,805,572	29,010,145
Net assets, end of year	$ 1,930,557	$ 42,578,076	$ 44,508,633

See accompanying notes.

East Carolina University Educational Foundation, Inc.
Statements of Activities
Year Ended June 30, 2022

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Contributions	$ 7,090,061	$ 2,412,504	$ 9,502,565
Gifts in kind (Note 17)	210,794	-	210,794
Contributed services and facilities (Notes 15 and 17)	677,084	-	677,084
Return on investments:			
Interest and dividends	9,301	463,447	472,748
Net realized and unrealized gains on investments	5,776	(3,474,634)	(3,468,858)
Other income	203,873	16,000	219,873
Change in value of split interest agreements	-	(258,041)	(258,041)
Change in value of charitable gift annuity	-	(2,088)	(2,088)
Change in value of life insurance	(571)	(118,771)	(119,342)
Net assets released from restrictions (Note 12)	1,897,338	(1,897,338)	-
Total revenues, gains, and other support	10,093,656	(2,858,921)	7,234,735
Expenses:			
Program services:			
Program development	2,726,716	-	2,726,716
Facility enhancement	1,201,351	-	1,201,351
Scholarships	4,697,475	-	4,697,475
Total program services	8,625,542	-	8,625,542
General and administrative	1,993,502	-	1,993,502
Fundraising	131,255	-	131,255
Total operating expenses	10,750,299	-	10,750,299
Bad debt losses	-	21,014	21,014
Total expenses	10,750,299	21,014	10,771,313
Changes in net assets	(656,643)	(2,879,935)	(3,536,578)
Net assets, beginning of year	2,861,216	29,685,507	32,546,723
Net assets, end of year	$ 2,204,573	$ 26,805,572	$ 29,010,145

See accompanying notes.

East Carolina University Educational Foundation, Inc.
Statement of Functional Expenses
Year Ended June 30, 2023

	Program Services					
	Program Development	Facility Enhancement	Scholarships	General and Administrative	Fundraising	Total
Salaries and benefits reimbursements	$ 19,803	$ -	$ -	$ 978,151	$ -	$ 997,954
Contributed services and facilities	422,861	-	-	322,439	-	745,300
Scholarships and awards	16,000	-	5,000	17,331	-	38,331
Distributions to University	-	-	3,795,954	-	-	3,795,954
Contracted services	107,959	3,026,200	-	13,116	21,912	3,169,187
Travel	22,874	-	-	24,301	-	47,175
Registration expense	440	-	-	1,374	-	1,814
Advertising and promotion	-	-	-	3,161	-	3,161
Accounting and legal	-	1,021	-	20,174	-	21,195
Insurance	50,995	-	-	27,795	-	78,790
Office supplies	5,192	-	-	3,299	-	8,491
Information technology	54,587	49,208	-	44,507	-	148,302
Postage and shipping	927	-	-	16,885	-	17,812
Printing and binding	79	-	-	27,273	-	27,352
Dues and subscriptions	22,018	-	-	8,066	-	30,084
Other supplies	616,836	931,610	-	162,700	16,566	1,727,712
Food and food services	96,343	-	-	5,846	2,290	104,479
Entertainment	37,930	-	-	215,903	14,534	268,367
Facility and equipment rental	22,257	-	-	54,074	26,307	102,638
Bank and payment processing fees	-	-	-	135,648	-	135,648
Repairs and maintenance	68,004	1,184,493	-	1,828	-	1,254,325
Gift in kind expense	19,467	513,313	-	130,806	16,481	680,067
Other aids and grants	-	209,791	-	-	-	209,791
ABC permits	4,633	-	-	-	-	4,633
Tax expense	15,835	-	-	3,251	-	19,086
Interest	-	49,160	-	-	-	49,160
Miscellaneous expense	-	-	-	3,881	100	3,981
Total	$ 1,605,040	$ 5,964,796	$ 3,800,954	$ 2,221,809	$ 98,190	$ 13,690,789

See accompanying notes.

East Carolina University Educational Foundation, Inc.
Statement of Functional Expenses
Year Ended June 30, 2022

	Program Services					
	Program Development	Facility Enhancement	Scholarships	General and Administrative	Fundraising	Total
Salaries and benefits reimbursement	$ -	$ -	$ -	$ 964,498	$ -	$ 964,498
Contributed services and facilities	346,527	890	-	329,667	-	677,084
Scholarships and awards	21,000	-	-	-	-	21,000
Distributions to University	-	-	4,697,475	-	-	4,697,475
Contracted services	120,612	271,984	-	23,704	21,154	437,454
Travel	52,496	-	-	23,216	-	75,712
Advertising and promotion	-	-	-	3,210	1,650	4,860
Accounting and legal	-	-	-	19,900	-	19,900
Professional fees	1,650,000	-	-	-	-	1,650,000
Insurance	44,135	-	-	24,538	-	68,673
Office supplies	6,549	-	-	2,650	142	9,341
Information technology	11,422	-	-	48,463	-	59,885
Postage and shipping	-	-	-	11,456	-	11,456
Printing and binding	266	-	-	29,107	-	29,373
Dues and subscriptions	18,222	-	-	7,985	-	26,207
Other supplies	299,253	102,858	-	79,441	15,297	496,849
Food and food services	37,800	-	-	2,891	6,126	46,817
Entertainment	32,478	-	-	156,720	26,233	215,431
Facility and equipment rental	10,636	-	-	34,811	23,452	68,899
Bank and payment processing fees	-	-	-	121,876	222	122,098
Repairs and maintenance	31,034	209,015	-	1,194	-	241,243
Gift in kind expense	26,811	46,812	-	101,117	36,054	210,794
Other aids and grants	-	505,735	-	-	-	505,735
ABC permits	5,608	-	-	-	-	5,608
Taxes	11,171	-	-	3,617	925	15,713
Interest	-	64,057	-	-	-	64,057
Miscellaneous expense	696	-	-	3,441	-	4,137
Total	$ 2,726,716	$ 1,201,351	$ 4,697,475	$ 1,993,502	$ 131,255	$ 10,750,299

See accompanying notes.

East Carolina University Educational Foundation, Inc.
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	**$ 15,498,488**	$ (3,536,578)
Permanently restricted contributions	**(161,654)**	(347,809)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Bad debt expense	**717,323**	21,014
Net realized and unrealized (gains) losses on investments	**(1,592,130)**	3,468,858
Loss on sale of property	**16,246**	-
Prior year other asset purchases expensed in current year	**1,129,094**	-
Contributed real estate held for investment	**(365,000)**	-
Change in value of life insurance	**(68,782)**	119,342
Change in value of split-interest agreements	**(946,115)**	258,041
Change in value of charitable gift annuity	**228**	2,088
Net changes in operating assets and liabilities:		
Unconditional promises to give	**(9,339,653)**	408,515
Prepaid expenses	**(123,713)**	(4,680)
Other receivables	**136,749**	(5,241)
Operating lease assets and liabilities	**(1,364)**	-
Accounts payable	**(423,485)**	574,024
Accrued expense	**6,235**	5,326
Other non-current liability	**(137,500)**	1,512,500
Deferred revenue	**170,437**	(4,466)
Net cash provided by operating activities	**4,515,404**	2,470,934
Cash flows from investing activities:		
Proceeds from disposition of real estate held for investment	**348,754**	-
Purchases of investments	**(6,931,287)**	(9,630,497)
Proceeds from sale of investments	**6,880,705**	9,425,907
Purchase of other assets	**-**	(1,129,094)
Net cash provided (used) by investing activities	**298,172**	(1,333,684)
Cash flows from financing activities:		
Payments on annuity obligations	**(975)**	(975)
Contributions for endowment	**161,654**	347,809
Payments on note payable	**(450,000)**	(450,000)
Net cash (used) by financing activities	**(289,321)**	(103,166)
Net increase in cash and cash equivalents	**4,524,255**	1,034,084
Cash and cash equivalents, Beginning of Year	**5,849,637**	4,815,553
Cash and cash equivalents, End of Year	**$ 10,373,892**	$ 5,849,637
Supplemental disclosure of financing activities:		
Cash payments for interest	**$ 49,160**	$ 64,057

See accompanying notes.

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Nature of Activities

East Carolina University Educational Foundation, Inc. ("Foundation") is a non-profit corporation organized under the laws of the State of North Carolina. The primary purpose of the Foundation is to be the friend-raising and fund-raising arm of East Carolina University's Division I athletics program, representing the highest principles of honesty and integrity. By conducting annual fund, endowment, and capital campaigns in support of student-athlete scholarships, athletic facility enhancements and other programmatic needs, the Foundation seeks to bring positive recognition to East Carolina University and the region it serves through a competitive athletics program.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for the non-profit industry. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

- Net assets without donor restrictions – Net assets available for general use and not subject to donor restrictions. Net assets without donor restrictions also include the investment in property and equipment, net of accumulated depreciation.

- Net assets with donor restrictions – Net assets that are contributions and endowment investment earnings subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature that may or will be met, either by actions of the Foundation and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, wherein the donor stipulates that resources be maintained in perpetuity. Generally, the donors of these assets permit the Foundation to use all, or part of, the income earned on related investments for general or specific purposes.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor-imposed restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications on the Statements of Activities between the applicable classes of net assets as "Net assets released from restrictions".

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that directly affect the results of reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

Fair Value of Financial Instruments

The carrying amounts of cash, prepaid expenses, other receivables, accounts payable, and accrued expenses approximate fair value because of the short maturity of these instruments. The fair value of investments is described in Notes 5 and 6 and is in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Disclosures About Fair Value of Instruments*, which defines fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties.

Cash and Cash Equivalents

Cash and cash equivalents include interest-bearing money market accounts and short-term investments with an original maturity of three months or less at the time of purchase. Amounts excluded from cash and cash equivalents include short-term investments that are held in the investment pool.

Unconditional Promises to Give

Unconditional promises to give are recorded as receivables and revenues in the year pledged. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the time of donation. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible unconditional promises to give is provided based upon management's judgment including such factors as prior collection history, the type of contribution, and the nature of fundraising activity.

Investments

Investments are reported at fair value with gains and losses included in the Statements of Activities. Investments subject to donor-imposed restrictions are combined with funds not subject to restrictions into one investment pool. Once a year, the interest, dividends, realized and unrealized gains/losses, and investment fees are allocated to the funds based on the fund's percentage of ownership interest in the pool of investments. Other investments, including real estate held for investment, are carried at fair value.

As explained in Note 5, the financial statements include alternative investments consisting of hedge funds that are valued at $2,300,461 (5% of net assets) and $2,415,136 (8% of net assets) at June 30, 2023 and 2022, respectively. Management, using the methodology discussed in Note 6, has valued these investments using net asset value as the practical expedient to estimate fair value.

Allocation of Investment Income

Income and realized and unrealized net gains on investments of endowment and similar funds are reported as follows:

- As increases in perpetual net assets with donor restrictions if the terms of the gift or the Foundation's interpretation of relevant state law require that they be added to the principal of a perpetual endowment fund.
- As increases in net assets with donor restrictions that are not to be held in perpetuity if the terms of the gift impose restrictions on the use of the investment income.
- As increases in net assets without donor restrictions in all other cases.

Capital Assets

Leasehold improvements to make properties suitable for the Foundation's intended use are amortized over the shorter of the estimated life of the asset or the remaining life of the lease which is 10 years.

Equipment is stated at cost at the date of acquisition or fair value at the date of donation in the case of gifts. The Foundation capitalizes assets that have a value or cost in excess of $5,000 at the date of acquisition and an expected useful life of one or more years. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

The Foundation reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell. No impairments were recognized during the fiscal years ended June 30, 2023 and 2022.

Other Assets

At June 30, 2022, other assets represented construction costs associated with the Multisport Strength Training Facility located on the Grady White Boats Athletic Campus and a deposit made for an upgraded sound system in Dowdy-Ficklen Stadium that were incurred by the Foundation. Upon delivery and installation of the new sound system, the cost of the system was donated to East Carolina University during fiscal year 2023. For the Multisport Strength Training Facility, the Foundation is leasing the property from the State of North Carolina on behalf of East Carolina University and, upon completion of construction, the cost of the facility was donated to East Carolina University during fiscal year 2023. See further discussion of the lease in Note 16.

Cash Surrender Value of Life Insurance

Life insurance policies owned by the Foundation are reported at the cash surrender value of the policy. Changes in cash surrender value of life insurance are reported as changes in value of life insurance under the revenues, gains, and other support section in the Statements of Activities.

Split-Interest Agreements

The Foundation has a beneficial interest in four charitable remainder trusts. A receivable has been recognized for the Foundation's beneficial interest in the remainder trusts at the present value of the estimated future distributions expected to be received. The Foundation is not the named trustee for any of the trusts. Adjustments to reflect revaluations of the present value of the estimated future payments and changes in actuarial assumptions are recognized in the Statements of Activities as a change in value of the split-interest agreements.

Charitable Gift Annuities

Under charitable gift annuity contracts, the Foundation receives irrevocable title to contributed assets and agrees to make fixed period payments over various periods, generally the life of the donor. Contributed assets are recorded at fair value at the date of receipt and a liability is established for the present value of future annuity payments. The assets to fund these liabilities are maintained in a separate and distinct fund and are invested in accordance with applicable state laws and reserve requirements. The excess of contributed assets over the annuity liability is recorded as contribution revenue with donor restrictions. Any actuarial gain or loss resulting from the computation of the liability for the present value of future annuity payments is recorded as a change in the value of split-interest agreements under the revenue, gains, and other support category in net assets with donor restrictions. Upon termination of the annuity contract, the remaining liability is recognized as change in value of split-interest revenue.

Leases

At the inception of a lease, the Foundation assesses whether the lease represents an operating or financing lease. Operating leases are included in the balance sheet as a right-of-use ("ROU") asset and a corresponding lease liability. Financing leases are recorded in property and equipment and corresponding lease liability. The Foundation has elected not to recognize a right-of-use asset or lease liability for leases with an initial term of 12 months or less that do not include a purchase option that is reasonably expected to be exercised. The expense associated with short-term leases is included in facility and equipment rental in the accompanying Statements of Functional Expenses.

Right-of-use assets and lease liabilities are recognized at the commencement date. The lease liabilities are measured at the present value of the lease payments over the lease term. The Foundation uses the rate implicit in the lease, if it is determinable. If not determinable, the Foundation is using the US Treasury rate for all classes of underlying assets at the date of inception. Lease terms may include renewal or extension options to the extent they are reasonably certain to be exercised.

Revenue Recognition

The Foundation receives the majority of its support in the form of contributions from alumni, faculty, and friends of the ECU Athletics Program. The Foundation recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

The Foundation's revenue streams for fundraiser sales and special events fall within the context of ASU 2014-09, *Revenue from Contracts with Customers (Topic 606).* Fundraiser sales are recognized at the time of purchase. Payments are required at the time of sale. Amounts received in advance are deferred to the applicable period.

Special Events hosted by the Foundation are primarily centered around donor cultivation and recognition. Registration revenue for special events hosted by the Foundation is intended to cover the costs associated with hosting the event and does not typically contain a contribution element. Special events revenue is recognized when the special event takes place. Amounts received in advance are deferred to the applicable period.

Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. At June 30, 2023 and 2022, the Foundation has not recorded any tax liabilities. The Foundation believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements.

Contributions

Unconditional contributions are considered available for unrestricted use unless specifically restricted by the donor. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of program and support services activities have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Adoption of New Accounting Standards

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842), requiring an entity to recognize assets and liabilities arising from a lease for both financing and operating leases, along with additional qualitative and quantitative disclosures. Under this standard, the lessee is required to record an asset for the right to use the underlying asset for the lease term and a corresponding liability for the contractual lease payments. The Foundation adopted this standard effective July 1, 2022, the first day of the Foundation's fiscal year using the modified retrospective approach and have not restated comparative periods. In addition, the Foundation elected the package of practical expedients permitted under the transition guidance, which among other things, allowed the Foundation to carry forward the historical lease classification.

Adoption of the new standard did not materially impact the Foundation's net income and had no impact on cash flows.

Reclassifications

Certain amounts in the prior year consolidated financial statements have been reclassified for comparative purposes to conform to the presentation in the current year consolidated financial statements.

2. Liquidity and Availability

The Foundation receives significant contributions and promises to give with donor restrictions to be used in accordance with the associated purpose restriction. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs, facility enhancements, and scholarships in accordance with the donors' stated intent. In addition, the Foundation receives support without donor restrictions and utilizes investment income without donor restrictions to further fund annual operating needs.

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term funding commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Foundation has various sources of liquidity at its disposal, including cash and cash equivalents, and marketable debt and equity securities. The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses and fundraising expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year. The Foundation's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts that are designated for general use. Donor-restricted endowment funds are not available for general expenditure.

Financial assets without donor or other restrictions limiting their use that are available for general expenditure within one year of the balance sheet date at June 30, 2023 and 2022 are comprised of the following:

	2023	2022
Cash and cash equivalents	**$ 1,179,325**	$ 1,711,207
Current portion of unconditional promises to give, net	**900,884**	762,183
Other receivables	**48,169**	11,145
Investments	**27,456**	21,924
	$ 2,155,834	$ 2,506,459

Liquidity of Investments

As of June 30, 2023, approximately 89.0% of the Foundation's investment portfolio consists of highly liquid investments (mutual funds and exchange traded funds); 11.0% of the portfolio's investments may be redeemed in whole or in part at future specified redemption dates upon timely written notice of the redemption request as described in Note 6.

3. Unconditional Promises to Give

Unconditional promises to give at June 30, 2023 and 2022 are summarized as follows:

	2023	2022
Receivables due in less than one year	**$ 7,891,119**	$ 1,735,254
Receivables due in one to five years	**7,784,786**	3,382,239
Receivables due in more than five years	**2,500,000**	2,707,500
	18,175,905	7,824,993
Less: Allowance for unamortized discount	**(3,460,472)**	(2,357,347)
Less: Allowance for uncollectible receivables	**(1,406,642)**	(781,185)
Net unconditional promises to give	**$ 13,308,791**	$ 4,686,461

Unconditional promises to give are discounted using a rate determined by management at the time the unconditional promises to give are initially recognized. Unconditional promises to give recognized during the years ended June 30, 2023 and 2022 are discounted at a rate of 9.25% and 5.75%, respectively to estimate the present value of future payments.

4. Conditional Promises to Give

The Foundation has conditional agreements with several donors in which funding contributed to the Capital Campaign was contingent upon completion of the TowneBank Tower construction project for Fall 2018 opening. As the completion of the construction project was delayed from Fall 2018 to Fall 2019, conditional agreements were reevaluated by the Foundation to determine those still deemed conditional at June 30, 2023. Conditional promises to give have not been recognized as revenue in the financial statements. Conditional promises to give are as follows:

	2023	2022
Conditional upon meeting program initiative	**$ 500**	$ 10,900

5. Investments

The aggregate fair values of investments at June 30, 2023 and 2022, by type of investment, are as follows:

	2023	2022
Common stock	**$ 13,215,005**	$ 13,290,980
Corporate bonds	**2,652,184**	1,544,769
Government bonds	**628,897**	374,865
Mutual funds	**1,138,449**	1,155,311
Money market funds	**948,183**	459,405
Total marketable securities	**18,582,718**	16,825,330
Alternative investments	**2,300,461**	2,415,136
Total investments	**$ 20,883,179**	$ 19,240,466

6. Fair Value Measurements

Fair value as defined under GAAP is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Foundation uses various valuation approaches within the FASB ASC 820 fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

FASB ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

FASB ASC 820 defines levels within the hierarchy based on the reliability of inputs as follows:

- Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2 – Valuations based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs can include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs; and
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

The following is a description of the valuation methodologies used for instruments measured at fair value and their classification in the valuation hierarchy. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. These valuation methodologies have not changed and are consistent with prior years.

Marketable securities, including common stock, corporate bonds, government bonds, mutual funds, and money market funds listed on a national market or exchange, are valued at the last sales price. If there is no sale, and the market is considered still active, they are valued at the last transaction price before year-end. Such securities are classified within Level 1 of the valuation hierarchy.

Investments in real estate are valued based on independent appraisals and county tax records and are classified within Level 2 of the valuation hierarchy.

Beneficial interest in charitable remainder trusts are valued at the market price of the investments and are classified as Level 3 of the valuation hierarchy. While the Foundation has access to a detailed listing of the underlying assets held in these trusts, the majority of which are publicly traded and readily available in active markets, the beneficial interests are determined through discounted cash flow analysis.

The fair value of the Foundation's charitable gift annuity obligations is based on the net present value of the anticipated benefit using the difference between the assets received and the original contribution. As beneficiary payments are made, the liability is adjusted based on an amortization schedule. The annuity obligations are included in Level 2 of the fair value hierarchy.

The following tables present assets measured at fair value by classification within the fair value hierarchy as of June 30, 2023 and 2022, respectively:

	Financial Assets (Liabilities) at Fair Market Value as of June 30, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments in marketable securities	**$ 18,582,718**	**$ -**	**$ -**	**$ 18,582,718**
Investments in real estate	**-**	**201,252**	**-**	**201,252**
Investment in hedge funds measured at net asset value[(a)]				**2,300,461**
Total	**$ 18,582,718**	**$ 201,252**	**$ -**	**$ 21,084,431**
Beneficial interest in charitable remainder trusts	**$ -**	**$ -**	**$ 2,048,372**	**$ 2,048,372**
Liabilities under charitable gift annuities	**$ -**	**$ (4,895)**	**$ -**	**$ (4,895)**

	Financial Assets (Liabilities) at Fair Market Value as of June 30, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments in marketable securities	$ 16,825,330	$ -	$ -	$ 16,825,330
Investments in real estate	-	201,252	-	201,252
Investment in hedge funds measured at net asset value[(a)]				2,415,136
Total	$ 16,825,330	$ 201,252	$ -	$ 19,441,718
Beneficial interest in charitable remainder trusts	$ -	$ -	$ 1,102,257	$ 1,102,257
Liabilities under charitable gift annuities	$ -	$ (5,642)	$ -	$ (5,642)

[(a)] In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the Statements of Financial Position.

There were no transfers among Level 1, Level 2, or Level 3 assets during the years ended June 30, 2023 and 2022. When transfers occur, they are recognized at the end of the reporting period.

Management determines the fair value measurement valuation policies and procedures, including those for Level 3 recurring and nonrecurring measurements. The Foundation's Board of Directors assesses and

approves these policies and procedures. At least annually, management: (1) determines if the current valuation techniques used in fair value measurements are still appropriate, and (2) evaluates and adjusts the unobservable inputs used in the fair value measurements based on current market conditions and third-party information.

The following is a reconciliation of the beginning and ending balances of assets measured at fair value on a recurring basis using significant unobservable (Level 3) inputs during the years ended June 30, 2023 and 2022:

	2023	2022
Balance, beginning of year	**$ 1,102,257**	$ 1,360,298
Change in value of split interest agreements	**946,115**	(258,041)
Balance, end of year	**$ 2,048,372**	$ 1,102,257

Realized and unrealized gains and losses applicable to instruments valued using significant unobservable inputs (Level 3) shown above are included in the change in net assets for 2023 and 2022 reported in the Statements of Activities.

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table represents the Foundation's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and ranges of values for those unobservable inputs.

	Significant Unobservable Inputs at June 30, 2023			
	Fair Value	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values
Beneficial interest in charitable remainder trusts	**$ 2,048,372**	**Discounted Cash Flows**	**Payout Rate** **Discount Rate**	**0.10-10.0%** **-0.4-48.5%**

	Significant Unobservable Inputs at June 30, 2022			
	Fair Value	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values
Beneficial interest in charitable remainder trusts	$ 1,102,257	Discounted Cash Flows	Payout Rate Discount Rate	0.10-10.0% -11.6-6.2%

The following tables summarize the Foundation's alternative investments at June 30, 2023 and 2022, which consist solely of hedge funds:

	Alternative Investments at June 30, 2023		
	Fair Value	Redemption Frequency (if currently available)	Redemption Notice Period
Hedge Funds:			
Ironwood Institutional Multi-Strategy Fund LLC	**$ 565,764**	**Monthly/ Quarterly**	**30 days to 120 days**
Blackstone REIT	**634,772**	**Monthly**	**N/A**
Partners Group PE – P	**568,068**	**Quarterly**	**30 days**
Blackstone BCRED	**531,857**	**Quarterly**	**45 days**
Total Alternative Investments	**$ 2,300,461**		

	Alternative Investments at June 30, 2022		
	Fair Value	Redemption Frequency (if currently available)	Redemption Notice Period
Hedge Fund:			
Ironwood Institutional Multi-Strategy Fund LLC	$ 592,018	Monthly/ Quarterly	30 days to 120 days
Blackstone REIT	683,218	Monthly	N/A
Partners Group PE – P	771,887	Quarterly	30 days
Blackstone BCRED	368,013	Quarterly	45 days
Total Alternative Investments	$ 2,415,136		

The Foundation invests in alternative investment vehicles as hedges against broader market risks by further diversifying the portfolio holdings. The hedge fund investments pursue a variety of hedging strategies.

The Foundation invests in various types of investment securities which are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the amounts reported in the Statements of Financial Position.

7. Real Estate Held for Investment

The real estate, recorded at appraised value on the dates received and adjusted for changes in fair value, consists of 164 acres in Carteret County; two residential lots in the Brook Valley subdivision, and one lot in the River Hills subdivision in Pitt County; two lots in the Rolling Pines subdivision in Washington County; and a time share located in Horry County, South Carolina.

	2023	2022
Carteret County, North Carolina	**$ 159,402**	$ 159,402
Pitt County, North Carolina	**30,750**	30,750
Washington County, North Carolina	**10,600**	10,600
Horry County, South Carolina	**500**	500
Total	**$ 201,252**	$ 201,252

8. Annuities Payable

The Foundation accepted contributions from one donor in exchange for the Foundation funded life annuity (charitable gift annuity). Total annuity payments were $975 and $975 for the years ended June 30, 2023 and 2022, respectively.

The annuity payable balance at June 30, 2023 and 2022, of $4,895 and $5,642, respectively, is the present value of the quarterly payments to the annuitant based on the actuarially determined life expectancy of the annuitant and a payout rate of 3.25%. The Foundation's obligation for the remainder of the annuitant's life is $975 per year. The estimated remaining life expectancy of the annuitant is 7 years.

9. Notes Payable

On December 13, 2019, the Foundation entered into a $4,500,000 loan bearing interest at 3.31%. The Foundation made a draw of $2,632,383 on the loan on June 26, 2020. Interest payments are due monthly and principal payments of $450,000 are due annually on December 10 beginning in 2020 with the final payment due December 10, 2029, or when paid in full.

Total interest expense for this loan for the years ended June 30, 2023, and 2022 was $49,160 and $64,057 respectively.

10. Other Non-Current Liability

As a result of the Learfield-IMG merger and Antitrust laws, the Department of Justice and Federal Trade Commission allowed University partners of Learfield and/or IMG to perform a "market check" upon completion of 70% (8 years) of the existing contract. ECU Athletics opted to take advantage of the "market check" allowed and requested proposals for its Multimedia Rights. In March 2021, ECU Athletics entered a contract with Leona Marketing Group. Leona Marketing Group served as the negotiator for ECU Athletics new Multimedia Rights contract. In accordance with the agreement, Leona's fee was considered earned when a new Multimedia Rights contract was entered. Leona's fee was calculated based on a percentage of contract revenue above a specified floor and payable over the term of the new Multimedia Rights agreement. Due to the amount of the contract payment and State purchasing guidelines, the Foundation has assumed responsibility for the success fee. The Foundation recorded a liability and associated expense for the fiscal year ended June 30, 2022.

ECU entered a Letter of Intent for its Multimedia Rights with Playfly Sports in March 2022, at which point Leona's fee was deemed earned. The success fee of $1.65M is payable over 12 years in equal annual installments. Annual payments of $137,500 are due on July 1. The first of the twelve annual payments of $137,500 was due on July 1, 2022. The balance of the liability at June 30, 2023 and 2022 was $1,512,500 and $1,650,000, respectively.

11. Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30, 2023 and 2022 are available for the following purposes:

	2023	2022
Spendable:		
Program Development	**$ 1,354,528**	$ 3,106,633
Facility Enhancement	**20,381,436**	4,473,636
	21,735,964	7,580,269
Endowment:		
Donor restricted:		
Facility Enhancement	**2,687,656**	2,507,281
Scholarships and awards	**18,154,456**	16,718,022
	20,842,112	19,225,303
Total net assets with donor restrictions	**$ 42,578,076**	$ 26,805,572

12. Net Assets Released from Donor Restrictions

Net assets totaling $4,991,466 and $1,897,338 were released from donor restrictions in 2023 and 2022, respectively, by incurring expenses satisfying the restricted purposes, or by the passage of time.

	2023	2022
Facility enhancement	**$ 3,444,210**	$ 814,201
Scholarships	**581,954**	493,252
Program development	**965,302**	589,885
Total	**$ 4,991,466**	$ 1,897,338

13. Net Assets without Donor Restrictions

Net assets without donor restrictions at June 30, 2023 and 2022 are available for the following purposes:

	2023	2022
Undesignated	**$ 1,930,557**	$ 2,204,573

14. Endowments

The Foundation's endowment consists of sixty-three individual funds established for a variety of purposes. Endowments include donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence of donor-imposed restrictions.

A donor-restricted endowment is classified as either perpetual (donor stipulates investment in perpetuity of certain net assets) or term (donor stipulates investment for a specific period of time of certain net assets). Unless stipulated by the donor as a term endowment, all donor-restricted endowment funds are classified as perpetual.

The principal of a donor-restricted endowment is: (a) the original value of initial and subsequent gifts restricted to the endowment, (b) accumulations or additions stipulated by the applicable donor gift instrument to be added to principal and (c) for perpetual endowments only, accumulations stipulated by Uniform Prudent Management of Institutional Funds Act (UPMIFA), if any, to be held in perpetuity. The appreciation of a donor-restricted endowment is accumulated net investment gains and losses net of amounts appropriated for spending by the Board of Directors and applicable gift and administrative fees. The fair value of donor-restricted endowment is the combination of principal and appreciation.

Interpretation of Relevant Law

The Foundation's management has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Board classifies as perpetual net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in perpetual net assets with donor restrictions, is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation, in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund;
(2) The purposes of the organization and the donor-restricted endowment fund;
(3) General economic conditions;
(4) The possible effect of inflation and deflation;
(5) The expected total return from income and the application of investments;
(6) Other resources of the institution; and
(7) The investment policies of the organization.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity. Under this policy, as approved by the Foundation Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the rate of inflation as measured by the annual Consumer Price Index plus the annual spending distribution and fees as adopted by the Board. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year an allocation based on an endowment fund's thirty-six month (or total life of the fund if less than thirty-six months) weighted average balance as of June 30 at two previous fiscal years ended. In establishing this policy, the Foundation considered the long-term expected return on its endowment. For the years ended June 30, 2023 and 2022, the appropriation amount was 4.00% and 5.00%, respectively.

Endowment net asset composition by fund type as of June 30, 2023 and 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
June 30, 2023	**$ 1,315,689**	**$ 20,118,395**	**$ 21,434,084**
June 30, 2022	$ 1,314,508	$ 18,531,622	$ 19,846,130

Changes in endowment net assets for the fiscal years ended June 30:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	**$ 1,314,508**	**$ 18,531,622**	**$ 19,846,130**
Investments income (including realized and unrealized gains and losses)	**1,181**	**2,091,668**	**2,092,849**
Contributions	**-**	**161,654**	**161,654**
Change in value of life insurance	**-**	**23,280**	**23,280**
Scholarship expense	**(560,954)**	**(20,000)**	**(580,954)**
Other changes	**560,954**	**(669,829)**	**(108,875)**
Endowment net assets, end of year	**$ 1,315,689**	**$ 20,118,395**	**$ 21,434,084**

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	**$ 1,314,053**	**$ 21,898,165**	**$ 23,212,218**
Investments income (including realized and unrealized gains and losses)	**455**	**(3,013,641)**	**(3,013,186)**
Contributions	**-**	**347,809**	**347,809**
Change in value of life insurance	**-**	**(96)**	**(96)**
Scholarship expense	**(580,475)**	**(20,000)**	**(600,475)**
Other changes	**580,475**	**(680,615)**	**(100,140)**
Endowment net assets, end of year	**$ 1,314,508**	**$ 18,531,622**	**$ 19,846,130**

Underwater Endowment Funds

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Foundation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

At June 30, 2023 and 2022 funds with deficiencies of $16,388 and $58,028 respectively, were reported in net assets with donor restrictions.

	2023	2022
Fair value of underwater endowment funds	$ 339,904	$ 404,873
Original endowment gift amount	356,292	462,901
Deficiencies of underwater endowment funds	$ (16,388)	$ (58,028)

15. Related Party Transactions

East Carolina University

East Carolina University provides certain support such as accounting, fundraising, general administrative services, and the use of facilities and equipment for the benefit of the Foundation. These contributed services and facilities have been recognized in the accompanying Statements of Activities as contributions and expenses at their estimated value. The amount of these contributed services and facilities for the years ended June 30, 2023 and 2022 was $285,243 of $745,300 total contributed services, and $260,332 of $677,084 total contributed services, respectively.

The Foundation accrued expenses of $124,295 and $114,259 at June 30, 2023 and 2022, respectively, owed to the University.

East Carolina University Foundation, Inc.

During the year ended June 30, 2020, the East Carolina University Foundation, Inc. (“ECU Foundation”) received a contribution of real property from a donor. The donor’s stated intent is that the proceeds from the sale of the property be used to support multiple programs throughout the University, including a portion designated for the support of the Foundation. At June 30, 2022, the Foundation recorded a receivable due from the ECU Foundation in the amount of $173,774 which represents the estimated value of proceeds due to the Foundation upon the sale of the property. During the year ended June 30, 2023, the donor directed that the proceeds from the sale of the property be used solely to support University programs supported by the ECU Foundation. Accordingly, the value of the receivable due from ECU Foundation was reduced to $0. These amounts are included in other receivables on the Statements of Financial Position.

16. Leases

On June 21, 2021, the Foundation began leasing real premises located on the Grady White Boats Athletic Campus from the State of North Carolina and on behalf of East Carolina University as an operating lease with a maturity of March 2022. Due to construction delays, the lease was extended through October 2022. Annual lease payments are $1.

The Foundation leases vehicles from non-related entities under operating leases that have an initial or remaining noncancelable lease term in excess of one year as of June 30, 2023. Leases greater than 12 months result in the recognition of a right of use ("ROU") asset and a liability at the lease commencement date based on the present value of the lease payments over the lease term. Because the Foundation does not have access to the rate implicit in the lease, the Foundation utilized the US Treasury rate in associated present value calculation.

The weighted average discount rate used in the Foundation's lease calculations was 3.44% and the average remaining lease term is 1.89 years.

The following is a schedule of future lease maturities at June 30, 2023:

Year	Operating
2024	$ 30,436
2025	16,500
2026	3,744
Total undiscounted cash flows	50,680
Less: present value discount	(1,608)
Total lease liabilities	$ 49,072

17. Contributed Nonfinancial Assets

For the fiscal years ended June 30, 2023 and 2022, contributed nonfinancial assets recognized within the statements of activities included:

	2023	2022
Gifts in kind:		
Food	$ 109,965	$ 125,962
Supplies & materials	44,889	22,803
Athletic supplies	11,900	15,217
Facility enhancements	513,313	46,812
Total gifts in kind	680,067	210,794
Contributed services and facilities:		
Courtesy cars	300,604	272,746
Contributed services	409,416	369,058
Contributed facilities	35,280	35,280
Total contributed services and facilities	745,300	677,084
Total contributed nonfinancial assets	$ 1,425,367	$ 887,878

18. Capital Assets

Leasehold improvements for property leased and the Foundation's equipment consist of the following at June 30:

	Estimated Useful Life	2023	2022
Improvements	10 years	$ -	$ 200,000
Less amortization		-	(200,000)
Total		$ -	$ -

19. Concentration of Credit Risk

Financial Institutions

The Foundation has deposits with one financial institution that, at times, may exceed federal depository insurance limits. Deposits at the financial institution were $29,222 and $24,071 at June 30, 2023 and 2022, respectively. The Foundation has deposits with four different financial institutions that total $25,088 and $22,479 at June 30, 2023 and 2022, respectively.

State of North Carolina Short-Term Investment Fund (STIF Account)

The Foundation deposits substantially all of its funds not otherwise invested, into the State of North Carolina Short-Term Investment Fund ("STIF account") that is managed by the North Carolina State Treasurer. This portfolio fund is the primary cash management account for the State and is managed to allow funds to be readily convertible in cash. The North Carolina Administrative Code requires depositories to collateralize all balances that are not insured and must maintain specified security types in a third party escrow account designated by the State Treasurer. The securities collateral must be governmental in origin or the highest grade commercial paper and bankers' acceptances. The market value of the collateral must not be less than the value of the uninsured deposits; therefore, as of June 30, 2023 and 2022, the Foundation's STIF account deposits would not be exposed to custodial credit risk.

Investment Brokerage Accounts

The Securities Investor Protection Corporation (SIPC) insures investments with registered brokers up to $500,000, of which $250,000 may be cash. Insurance protects assets held in the case of broker- dealer insolvency and not against decline in market values. As of June 30, 2023 and 2022, the Foundation has investments in excess of the SIPC insurance amount.

20. Subsequent Events

Management evaluated subsequent events through January 11, 2024, the date the financial statements were available to be issued. Except as noted above, there were no events or transactions occurring after June 30, 2023, but prior to the date these financial statements were available to be issued that provided additional evidence about conditions that existed at June 30, 2023.

Annual Athletic Financial Reporting

Please provide financial data as reported to the NCAA for FY23. See Appendices A, B, and C of the NCAA 2023 Agreed Upon Procedures for category definitions.

Institution: East Carolina University
Prepared by: Sheri Whitfield
Email: whitfields@ecu.edu

ID	Category	FY23 Amount
Revenues		
1	Ticket Sales	$7,899,878
2	Direct State or Other Government Support	$3,604,559
3	Student Fees	$15,634,149
4	Direct Institutional Support	$3,986,507
5	Less - Transfers to Institution	$0
6	Indirect Institutional Support	$1,449,667
6A	Indirect Institutional Support - Athletic Facilities Debt Service, Lease & Rental Fees	$1,204,369
7	Guarantees	$261,000
8	Contributions	$11,387,829
9	In-Kind	$2,108,404
10	Compensation & Benefits Provided by a Third Party	$0
11	Media Rights	$0
12	NCAA Distributions	$1,572,757
13	Conference Distributions (Non Media and Non-Football Bowl)	$7,667,113
13A	Conference Distributions of Football Bowl Generated Revenue	$650,000
14	Program, Novelty, Parking, & Concession Sales	$1,535,311
15	Royalties, Licensing, Advertisement, & Sponsorships	$3,790,473
16	Sports Camp Revenues	$0
17	Athletics Restricted Endowment and Investments Income	$2,798
18	Other Operating Revenue	$445,019
19	Football Bowl Revenues	$54,422
	Total Operating Revenues (Sum of Categories 1-19)	$63,254,255
Expenses		
20	Athletic Student Aid	$9,019,283
21	Guarantees	$1,370,864
22	Coaching Salares, Benefits, and Bonuses paid by the University & Related Entities	$12,240,441
23	Coaching Salares, Benefits, and Bonuses paid by a Third Party	$0
24	Entities	$10,317,149
25	Support Staff/Administrative Compensation, Benefits & Bonuses paid by Third Party	$0
26	Severance Payments	$579,633
27	Recruiting	$1,131,201
28	Team Travel	$4,595,830
29	Sports Equipment, Uniforms & Supplies	$2,271,351
30	Game Expenses	$2,651,388
31	Fund Raising, Marketing, and Promotion	$92,198
32	Sports Camp Expenses	$0
33	Spirit Groups	$295,559
34	Athletics Facilities, Debt Service, Leases and Rental Fees	$5,647,532
35	Direct Overhead & Administrative Expenses	$5,025,263
36	Indirect Institutional Support (This category should equal Category 6)	$1,449,667
37	Medical Expenses & Insurance	$525,242
38	Memberships & Dues	$91,633
39	Student-Athlete Meals (non-travel)	$1,730,285
40	Other Operating Expenses	$3,054,883
41	Football Bowl Expenses	$1,177,322
41A	Football Bowl Expenses - Coaching Compensation/Bonuses	$262,924
	Total Operating Expenses (Total Categories 20-41A)	$63,529,648
Other Reporting Items		
50	Excess Transfers to Institution (if applicable)	$0
51	Conference Realignment Expenses	$0
52	Total Athletics Related Debt	$70,056,146
53	Total Institutional Debt	$336,205,000
54	Value of Athletics Dedicated Endowments	$24,905,949
55	Value of Institutional Endowments	$86,923,231
56	Total Athletics Related Capital Expenditures	$4,388,379

AGENDA ITEM

VIII. Closed Session .....Mr. Jeff Roberts
Acting Committee Chair

Situation: The committee requests to go into closed session to consider personnel related matters.

Background: It is the policy of the State of North Carolina that closed sessions shall be held only when required to permit a public body to act in the public interest as permitted in Chapter 143 of the North Carolina General Statues.

Assessment: The committee will go into closed session:

- To prevent the disclosure of confidential information under N.C. General Statues §126-22 to §126-30 (personnel information) and the federal Family Educational Rights and Privacy Act; and
- To consider the qualifications, competence, performance, character, fitness, or appointment of prospective and/or current employees and/or to hear or investigate a complaint or grievance by or against one or more employees
- To consult with an attorney to preserve the attorney-client privilege between the attorney and the Committee.

Action: This item requires a vote by the committee.

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