



**Finance and Administration Committee**  
**November 11, 2025**

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**Information Item**

**FAC – 5      2026-2027 Tuition and Fees Preview**

**Background Information**

In February 2003, the Board of Governors established a policy requiring increases in campus-initiated tuition and fees to be set within the context of institutional financial plans, the University's long-range plan, the need for Board-initiated tuition increases, the state's economic environment, and the financial impact on students. The Board's policy further requires fees to remain as low as possible (while also providing the revenues needed to support the purposes for which fees are charged) and requires each chancellor to establish a fee review committee with representatives of all aspects of campus life. Recommendations for tuition and fee increases must be approved by the campus Board of Trustees, upon recommendation of the Chancellor, prior to submission to the Board of Governors.

Chancellor Gilliam appointed a Tuition & Fees Committee to study relevant issues and offer recommendations. The Vice President of the Student Government Association and the Associate Vice Chancellor for Enrollment Management serve as Committee Co-Chairs. This year's committee composition includes six students (inclusive of the committee co-chair), two members of the University's professional staff (representing Financial Aid and Finance), and three faculty members (the Chair of the Faculty Senate, Chair of the Faculty Budget Committee, and the Faculty Athletics Representative), with the Vice Chancellors for Finance and Administration, Student Affairs, and Institutional Research; the Dean of the Graduate School, and the Director of Cashiers and Student Accounts also serving *ex officio*. The Committee submits its recommendations to Chancellor Gilliam after careful deliberation and data analysis.

To arrive at its recommendations, the Tuition & Fees Committee examined budget and other background information supplied by Finance and Administration, Institutional Research, and the UNC System, recommendations from the Provost and Vice Chancellors, and information from discussions with appropriate administrators who oversee fee-funded functions. The Committee also hosted two student forums to gather feedback from current students. The Tuition & Fees Committee's recommendations for 2026-2027 were based on an understanding of needs of fee-funded units to support university infrastructure and student success. Inflationary impacts such as changes in costs of goods and services to maintain a thriving campus were also considered.

### **Board of Governors Guidance**

The UNC System conveyed the following guidance to the campuses on undergraduate tuition rates, graduate and professional school tuition rates, and mandatory student fee rates:

#### ***Undergraduate Tuition***

*Institutions may propose increases for resident undergraduate students. For 2026-27, the Board of Governors will consider resident undergraduate increases up to 3 percent. Combined tuition and fee rates for undergraduate residents shall continue to remain in the bottom quartile of an institution's public peers.*

Analysis results will be evaluated using the following criteria:

- **Demonstrated restraint in administrative spending**, including efforts to streamline operations and reallocate resources to core academic functions,
- **Ongoing academic program evaluation and realignment**, with evidence of steps taken to strengthen program relevance, reduce duplication, and improve efficiency.
- **Minimal or no growth in mandatory fees**, particularly in areas where cost containment or offsetting revenues are feasible.
- **Alignment with planned increases in housing and dining rates**, to ensure that the total cost of attendance remains manageable for students and families.
- **Use of tuition revenue to sustain academic quality**, including investments in student success, faculty excellence, and high-impact learning practices.
- **Evidence that proposed increases are consistent with inflationary trends**, avoiding large or abrupt tuition shifts.

*Institutions may propose increases for nonresident undergraduate students. Combined tuition and fee rates for these undergraduate nonresidents should be market driven and reflect the full cost of providing a quality education. Proposals for increases must justify both the need for the increase and why it is not expected to negatively impact enrollment.*

### ***Graduate and Professional School Tuition***

*The Board will consider school-based and campus-initiated changes for tuition for resident and non-resident graduate and professional programs that have been approved by the Board of Governors. Institutions must use the Board's tuition and fee policy as a guideline in developing recommendations for establishing graduate and professional school tuition rates. Proposals must justify both the need for the increase and why it is not expected to negatively impact enrollment.*

### ***Mandatory Fees***

*For 2026-27, the Board of Governors will consider increases to mandatory fees subject to the 3 percent statutory cap that are critical to maintaining core activities supported by the fee. The Board of Governors will not consider fee increases intended to support any expansion of services and will not consider increases that are non-critical.*

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

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

### ***Special Fees***

Special fees are only applicable to students engaged in particular activities or courses of study. These fees may not be used to supplement general academic revenues that will be provided from campus-initiated tuition increases. An increase may only be proposed if it is critical to cover inflationary cost increases associated with an existing fee. New fees may only be proposed for new programs.

***Student Involvement***

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

As a preview to the full Board of Trustees action item on November 13, 2025, the recommendations of the Tuition & Fees Committee are attached. Full details, including peer comparisons, student involvement documentation, and financial impact analysis, will be presented at the full Board of Trustees meeting.

Attachments: Tuition and Fees Preview Presentation

A handwritten signature in black ink, reading "Robert J. Shea, Jr." in a cursive style.

Robert J. Shea, Jr.  
Vice Chancellor for Finance and  
Administration



*Find your way here*

# Tuition and Fees Preview

November 11, 2025



Find your way here

# Tuition and Fee Recommendation

3% increase for in-state & out-of-state undergraduate & graduate tuition due to inflation and rising costs of goods, services, and utilities. Fees remain unchanged

