

**The UNC Academic Common Market**  
**BIENNIAL REPORT TO THE**  
**GENERAL ASSEMBLY OF NORTH CAROLINA**

**Submitted to**  
**The Joint Legislative Education Oversight Committee**

**By**  
**The Board of Governors of**  
**The University of North Carolina**

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## The UNC Academic Common Market: 2001-2007

### Executive Summary

Since 2001, when North Carolina joined the Southern Regional Education Board (SREB)'s Academic Common Market (ACM)<sup>1</sup>, all 16 of the SREB's member states have been ACM participants. North Carolina joined initially by way of a *Pilot Program*<sup>2</sup> authorized by the General Assembly. The pilot program ended successfully on June 30, 2005, and in 2005 the General Assembly ratified the full-fledged continuation of North Carolina's participation in the ACM at the graduate level.

UNC's website, policies, and procedures for participation are known as the *UNC Academic Common Market* (UNC-ACM). The office of its state coordinator oversees the website, processes all North Carolina applications and out-of-state certifications, and conducts business with, among others, the SREB's ACM regional coordinator, other ACM state coordinators, and ACM coordinators on UNC campuses and at out-of-state institutions for whose programs North Carolina residents have been ACM-certified to pursue degrees.

Through December 2007, the UNC-ACM approved *148 UNC graduate degree programs* for the ACM. A total of *232 out-of-state students* were certified for 60 of these programs (88 of the programs had no ACM enrollment). All of the certifications were to pursue degrees *in-residence*; North Carolina doesn't offer online programs through the ACM.

Over the same period, the UNC-ACM approved *92 out-of-state graduate degree programs* for North Carolinians through the ACM. A total of *174 North Carolina residents* were certified for 76 of these programs (16 of the programs had no North Carolina participants).

Through December 2007, other states have attracted 58 fewer North Carolinians to pursue graduate degrees (28% of them online and not needing to leave the State) than North Carolina has attracted residents of other states to come to North Carolina (all of them in-residence). At the same time that North Carolina's ACM participants have enjoyed not having to pay out-of-state tuition for degrees in programs provided by other states, the State of North Carolina has enjoyed not having to pay the huge cost to provide the degree programs itself.

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<sup>1</sup> The ACM was set up by the SREB in 1974 to help participating states (1) eliminate unnecessary duplication of degree programs among states, (2) make the best use of available degree programs by filling spaces with eligible students from other states, and (3) give their residents affordable access to programs that their own institutions can't provide.

<sup>2</sup> A final report on the Pilot Program was submitted to the Joint Legislative Education Oversight Committee in January 2005.

## **The UNC Academic Common Market through Its First Seven Years**

### ***North Carolina Legislative Background***

In August 2005, the General Assembly ratified the continuance of the UNC Academic Common Market, whose 2001-05 pilot program had ended successfully on June 30, 2005. In the words of the 2005 legislation:

SECTION 9.24. Part 5 of Article 1 of Chapter 116 of the General Statutes is amended by adding a new section to read:

§ 116 43.10. Academic Common Market program.

(a) The Southern Regional Education Board operates an Academic Common Market program. Under this program, qualified students from participating states may apply to attend programs at public universities in participating states that are not available in their home state's university system. North Carolina's participation for graduate programs provides a cost-effective means of offering educational access for North Carolina residents. North Carolinians are able to attend graduate programs that are not available at the University of North Carolina at reduced rates, and the State avoids the cost associated with the development of new academic programs.

(b) The Board of Governors of the University of North Carolina may continue participation in the Southern Regional Education Board's Academic Common Market at the graduate program level. The Board of Governors shall examine the graduate programs offered in the University of North Carolina System and select for participation only those graduate programs that are likely to be unique or are not commonly available in other Southern Regional Education Board states. Out-of-state tuition shall be waived for students who are residents of other Southern Regional Education Board states and who are participating in the Academic Common Market program. If accepted into the University of North Carolina graduate programs that are part of the Academic Common Market, these students shall pay in-state tuition and shall be treated for all purposes of the University of North Carolina as residents of North Carolina.

(c) Once a student is enrolled in the University of North Carolina System under the Academic Common Market program, the student shall be entitled to pay in-state tuition as long as the student is enrolled in that graduate program....

### ***Southeastern Regional Background***

Founded in 1948, the SREB was America's first interstate compact for education, developed at the request of Southern leaders in business, education, and government. Sixteen states joined the compact: Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

The ACM was set up in 1974 and directly reflects the SREB's goal of encouraging states to share resources and reduce the unnecessary duplication of academic degree programs. With North Carolina's entry into the ACM in 2001, all sixteen of the SREB members states now participate in it.

Thirteen of the states participate at both the undergraduate and graduate levels. North Carolina, Florida, and Texas participate only at the graduate level. The ACM recognizes only academic programs that terminate in the granting of a *bachelor's*, *master's*, or *doctoral* degree.

Most of the participating states grant access to their degree programs both online (if available) and in-residence (if available). North Carolina and Texas, however, grant access *only* to students in-residence. That is, they do not offer their online programs through the ACM. Nevertheless, residents of those states are permitted to pursue online degree programs offered by the other states. Indeed, 48 of North Carolina's 174 certifications (28%) were for online pursuit of a degree.

Students pursuing *associate's degrees* or *certificates of advanced study* may not participate in the ACM. Nor does the ACM admit *first professional degree* programs; however, the SREB's Regional Contract Program<sup>3</sup>, in which North Carolina participates, supports selected degree programs in schools of dentistry, medicine, optometry, osteopathic medicine, podiatry, and veterinary medicine.

#### ***Apparatus of the UNC Academic Common Market***

The UNC Board of Governors endorses participation in the ACM in the spirit of sharing resources, encouraging efficiency, and providing access to more educational opportunity for North Carolinians. In order to support UNC's participation, UNC General Administration provides a state coordinator and a residency status officer, and each participating UNC campus provides a campus coordinator. In addition, the North Carolina State Education Assistance Authority provides officers to check the residency claims of North Carolina applicants.

The initial work of defining policies and procedures and specifying the infrastructure and look of the UNC-ACM website was done by Dr. Danny Green, Special Assistant to the Senior Vice President for Academic Affairs, in consultation first with Dr. Donna Benson, Associate Vice President for Academic Affairs, then also with Dr. Alan Mabe, Vice President for Academic Planning.

Dr. Benson served as the first state coordinator, succeeded in July 2003 by Dr. Michelle Howard-Vital, Associate Vice President for Academic Affairs. Dr. Howard-Vital served until she became Interim Chancellor at Winston-Salem State University in July 2006. The title of state coordinator was assumed by Academic Planning staff member Morris Dean, who had run the website and handled day-to-day operations for Drs. Benson and Howard-Vital. Mr. Dean continues to serve.

The *state coordinator* regularly helps train UNC-ACM campus coordinators (one per campus) and interacts with them to confirm certified out-of-state students' ACM status and to review their campuses' degree programs for ACM eligibility. He shepherds all ACM applications from North Carolina residents through the process. He quarterly reports UNC-ACM certifications to the SREB, and biennially prepares the Board of Governors' report to

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<sup>3</sup> <http://www.sreb.org/programs/acm/rcp/rcpbrochure.asp>

the General Assembly of North Carolina. He also responds to many inquiries about the ACM from faculty, parents, students, and others.

Staff members of the *North Carolina State Education Assistance Authority* (SEAA) provide the indispensable assistance of examining the residency status of North Carolina's ACM applicants. Dr. Algie Gatewood and Ms. Angela Weaver, of the Health, Education, and Welfare division, performed residency checks from 2001 until they left the Authority (in 2004 and 2006, respectively). Mr. Bill Carswell and Mr. Robbie Schultz, of the Grants, Training, and Outreach division, have performed the checks since 2006.

Dr. Harry Lee Williams, Interim Associate Vice President for Academic Affairs, was named UNC General Administration's first *Residency Status Officer* in 2007, with the responsibility to hear and decide appeals from applicants who challenge the finding that they cannot be certified as residents of North Carolina for in-state tuition.

Each participating UNC campus provides an ACM *campus coordinator*. Because of UNC-ACM's graduate focus, the campus coordinators at

Appalachian State University,  
East Carolina University,  
North Carolina A&T State University,  
North Carolina State University,  
North Carolina State University,  
UNC-Chapel Hill,  
UNC Charlotte,  
UNC Greensboro,  
UNC Wilmington,  
Western Carolina University, and  
Winston-Salem State University

are generally graduate deans or associate deans. (Contact information for the current campus coordinators is displayed publicly on the UNC-ACM website<sup>4</sup>.) When an out-of-state student who is enrolled in an ACM degree program on a UNC campus is certified by his or her state's ACM state coordinator, the campus coordinator confirms the student's enrollment and eligibility and creates a record on the UNC-ACM website to alert the state coordinator that the student's ACM status should be approved. Each academic term subsequently, the campus coordinator monitors the student's progress and re-certifies the student's ACM status.

Campus coordinators see to it that their campuses' ACM degree programs are identified on their campuses' websites (an SREB recommendation) and from time to time nominate additional eligible graduate degree programs for the ACM.

Another important function of campus coordinators is to conduct program comparisons when a North Carolina applicant wants to pursue an out-of-state graduate degree program that might be similar to a program on their campuses. Unless the out-of-state program is substantially different from their program, it cannot be approved for the North Carolina resident to pursue through the ACM.

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<sup>4</sup> <https://register.rti.org/register/acm/contact/viewcontact.cfm?show=campus>

The UNC-ACM website was developed by the *Research Triangle Institute* (RTI), which continues to host it. The state coordinator communicates yearly with RTI to establish the coming year's maintenance agreement. He works with RTI's technical support staff as necessary for maintenance and functional enhancements. Most recently, for example, Mr. Dean specified additional function to accommodate North Carolina participants who return to apply for a second degree not available from UNC campuses. The first student to use the new facility applied in December 2007 for ACM status to pursue a PhD degree in Mechanical Engineering with emphasis on Helicopter Dynamics (at Florida Atlantic University) following his successful completion of an MS degree program in the same field.

### ***Selection of Graduate Degree Programs for the ACM Inventory***

The criterion for selecting a UNC degree program for inclusion in the UNC-ACM inventory is specified in the 2005 legislation cited above:

[S]elect for participation only those graduate programs that are likely to be unique or are *not commonly available* in other Southern Regional Education Board states. [emphasis added]

The UNC-ACM stipulates that a UNC degree program is *not commonly available* if and only if there are no more than six similar programs offered by public universities in other SREB states.

*Qualifying dissimilarity* between programs is defined by the *Administrative Guidelines* of the SREB-ACM:

[A]t least one-half of the courses in the major should consist of courses not available in similar programs in the home state. Concentrations, options, tracks, or specialization[s] within more general (and otherwise ineligible) degree programs must be extraordinary, specific, and structured to merit eligibility for the Academic Common Market. They must materially change the nature of the degree such that it is markedly different from degree programs that exist in state.”<sup>5</sup>

Either by request from an ACM state coordinator (usually on behalf of an ACM applicant) or by campus nomination, additional graduate degree programs are regularly reviewed for eligibility to be included in the ACM inventory.

### **UNC Graduate Degree Programs in the ACM Inventory**

Currently 148 *not commonly available* UNC graduate degree programs have been approved for the ACM. These programs are listed publicly on the UNC-ACM website.<sup>6</sup> Sixty of them have had ACM enrollment; the remaining 88 have not.

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<sup>5</sup> <http://www.sreb.org/programs/acm/guidelines/guidelines.asp>

<sup>6</sup> <https://register.rti.org/register/acm/programs/searchacm.cfm?nc=1&state=ALL&level=A&discipline=ALL&keyword=&institution=ALL>

Of the 60 UNC graduate degree programs for which there have been ACM certifications, the following 21 programs have had the most certifications:

# of certifi- cations	for degrees in programs	at UNC institution
31	MSLS in Library Science	UNC-Chapel Hill
21	MA in Appalachian Studies	Appalachian State University
12	MPH in Maternal & Child Health	UNC-Chapel Hill
11	MPH in Health Behavior & Health Education	UNC-Chapel Hill
10	MA in Maritime Studies	East Carolina University
7	MArch in Architecture	UNC Charlotte
7	MS in Mathematical Finance	UNC Charlotte
6	MPH in Nutrition	UNC-Chapel Hill
5	MA in Dance	UNC Greensboro
5	MFA in Drama	UNC Greensboro
5	MLIS in Library & Information Studies	UNC Greensboro
5	MM in Music	UNC Greensboro
5	MS in Athletic Training	UNC Greensboro
5	MS in Genetic Counseling	UNC Greensboro
4	MA in Marriage & Family Therapy	Appalachian State University
4	MFA in Art	East Carolina University
4	MS in Recreational Therapy Administration	East Carolina University
4	MS in Marine, Earth, & Atmospheric Sciences	NC State University
4	MA in Gerontology	UNC Charlotte
4	DMA in Music Performance	UNC Greensboro
4	MFA in Dance	UNC Greensboro

The 163 ACM certifications in the 21 degree programs listed above amount to 70.3 percent of the total 232 certifications through December 2007. The other 69 certifications were in 39 other UNC degree programs. Because these degree programs are not commonly available, *they are among North Carolina's main attractions of intellectual capital to the State*. The states from which the 232 students were attracted are shown at the right, in order by number of students.

Virginia	83	Kentucky	9
Georgia	31	Maryland	7
South Carolina	26	Delaware	4
Tennessee	21	Louisiana	4
West Virginia	18	Arkansas	3
Alabama	13	Texas	2
Florida	10	Mississippi	1

#### Other States' Graduate Degree Programs Approved for North Carolina Residents

Currently 92 graduate degree programs in other states are listed publicly on the UNC-ACM website<sup>7</sup> as having been approved for North Carolina residents through the ACM.

Of the 76 programs for which North Carolinians have been certified, the following seven programs have had the most North Carolina students (almost a third of them online):

<sup>7</sup> <https://register.rti.org/register/acm/programs/searchacm.cfm?nc=0&state=ALL&level=A&discipline=ALL&keyword=&institution=ALL>

# of certifi- cations	for degrees in programs	(√ on- line)	at institution	in state
22	LLM in Tax Law		University of Florida	FL
16	MS in Library & Information Studies	√	Florida State University	FL
9	IMBA (Inter'l Master of Bus Admin)		University of South Carolina	SC
9	DNP in Nursing Practice		University of South Carolina	SC
8	DNP in Nursing Practice	√	University of TN HSC, Memphis	TN
6	MS in Radiologic Admin; Education		Midwestern State University	TX
6	MA in Inter'l Commerce & Policy		George Mason University	VA

The 76 ACM certifications in the seven degree programs listed above amount to 43.7 percent of the total 174 certifications through December 2007. The other 98 North Carolina certifications were in 69 other out-of-state degree programs. The states for whose graduate degrees the 174 North Carolina students were certified are shown at the right, in order by number of students.

Florida	74	Oklahoma	4
South Carolina	29	West Virginia	4
Tennessee	25	Alabama	3
Virginia	14	Mississippi	3
Georgia	7	Kentucky	2
Texas	7	Louisiana	1
		Maryland	1

### *The Balanced Value of the ACM for North Carolina*

None of the participating states in the ACM exactly balances the number of its own residents with the number of out-of-state students coming in through the ACM, and North Carolina is no exception<sup>8</sup>. Like about half of the other states in the ACM, North Carolina has so far been a “net importer.”

The ACM’s overall value for participating states, including North Carolina, was addressed by SREB’s then-President Mark Musick in 2004<sup>9</sup>:

The Academic Common Market is not about a bottom-line accounting that simply aims to balance the number of students and tuition dollars that cross state boundaries every year. Thankfully, SREB states have never viewed the ACM so narrowly. Yes, states should be

<sup>8</sup> The table below shows, for each academic year since North Carolina joined the ACM, the number of North Carolinians certified to other states and the number of out-of-state students certified to North Carolina:

Academic Year	NC Residents Certified (“exports”)	Out-of-State Residents Certified to NC (“imports”)
Spring 2002	9	0
2002-03	8	10
2003-04	18	12
2004-05	22	26
2005-06	32	60
2006-07	43	55
2007-08	42	69
<b>Total</b>	<b>174</b>	<b>232</b>

<sup>9</sup> *On the Occasion of the 30<sup>th</sup> Anniversary of the Academic Common Market*, Southern Regional Education Board Publication #04C06, Atlanta, GA, 2004.



aware of the numbers of students being “imported” and “exported.” SREB readily supplies that information. The real issue is whether these numbers work for the state.

Often one state can be a net importer of students and still create access for its residents who enroll in ACM programs in other states. That same state can also receive financial benefits from out-of-state ACM students who would not otherwise have enrolled and paid tuition within its borders. In short, a strict financial accounting misses the point—and the benefits—of the ACM.

Dr. Musick might have included the very significant additional point that because of the Academic Common Market, participating states don’t have to bear the huge expense of establishing every last degree program that their residents want. Not only do individual students save thousands of dollars by being able to pursue other states’ degree programs at in-state tuition rates, but the states also save *millions* by not having to establish the programs themselves<sup>10</sup>. These numbers work for the State of North Carolina.

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<sup>10</sup> In our January 2005 report on the UNC-ACM Pilot Program, the total estimated minimum cost, at that time, to establish new degree programs to accommodate North Carolina’s ACM participants was \$4,685,947. (Appendix H. “Minimum Cost of Establishing New Degree Programs to Accommodate North Carolina’s ACM Participants”)