

North Carolina

College Affordability Profile

The effect of the pandemic on state budgets has not yet peaked, but it will likely affect college affordability for years to come. In this year's SREB College Affordability Profiles, we examine data for the 2017-18 academic year, the most recent year that student financial aid and net price data are available. Although the data were collected prior to the pandemic, it shows that states continue to face challenges in making college affordable. In many states, students must spend a larger percentage of their family income to pay for college, particularly at four-year institutions. In most states, two-year institutions and technical colleges and institutes offer the most affordable degree programs.

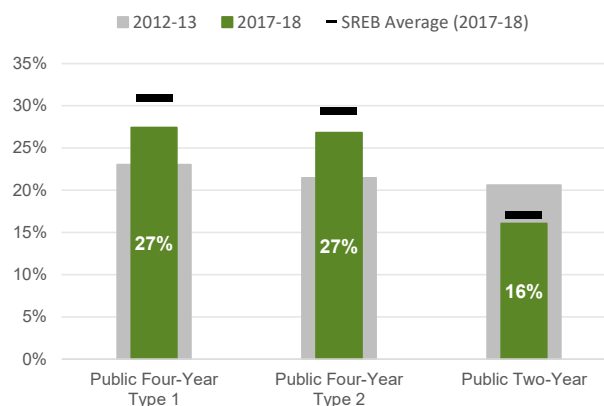
Percentage of Average Family Income Required to Pay the Net Price for Full-Time Students at Public Institutions

In 2017-18, the percentage of family income required to pay for college in North Carolina was **lower than SREB average for all institution types.**

Families in North Carolina paid a higher percentage of their family income in 2017-18 for a full-time student to attend four-year institutions than in 2012-13.

Families in North Carolina needed, on average, 27% of their income in 2017-18 to pay educational expenses for a full-time student at four-year Type 1 and four-year Type 2 institutions.

In 2017-18, families in North Carolina needed, on average, 16% of their income to cover educational expenses at two-year institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples 2012 and 2017. Institutional sectors based on SREB-State Data Exchange categories.

Key terms:

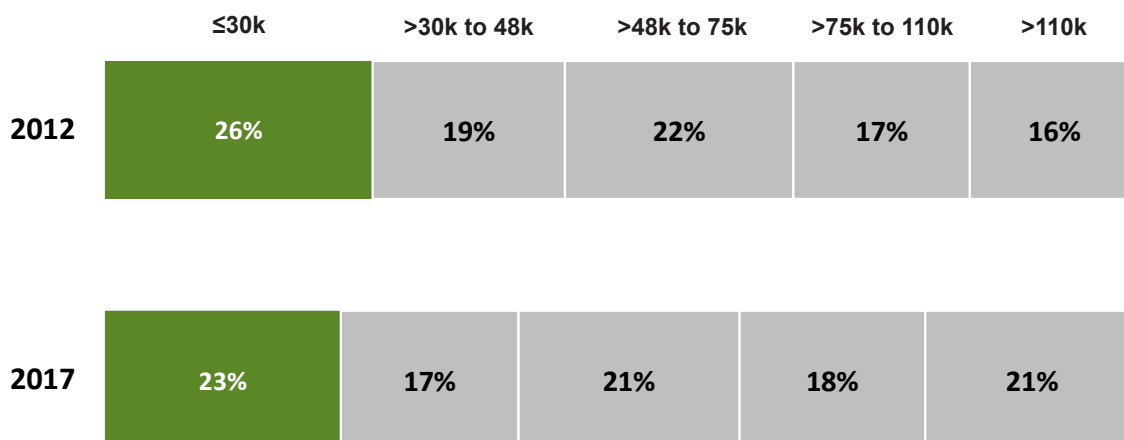
Four-Year Institution Type 1: four-year institutions that awarded at least 30 doctoral degrees in five different areas.

Four-Year Institution Type 2: all other four-year institutions.

Net Price: total cost of attendance (includes tuition, fees, room & board, etc.) minus federal, state/local government, or institutional grant and scholarship aid.

Distribution of Average Family Income

Data on net price is collected using five income categories. In North Carolina, students from families that made less than \$30,000 accounted for **the largest percentage of families in 2012 and 2017.**



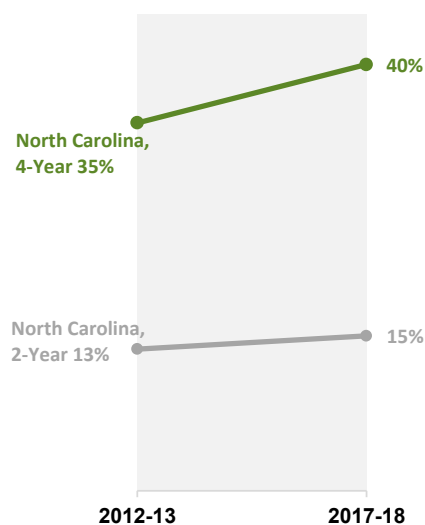
Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017.

Percentage of Income Required for Median Tuition and Fees at Public Institutions for Families Making Less Than \$30,000

The percentage of income required for **median tuition and fees** at public institutions **was higher at four-year institutions than two-year institutions in 2012-13 and 2017-18** for North Carolina families making less than \$30,000.

For families making less than \$30,000, the cost of median tuition and fees at four-year institutions was 40% of income in 2017-18, compared to 35% in 2012-13.

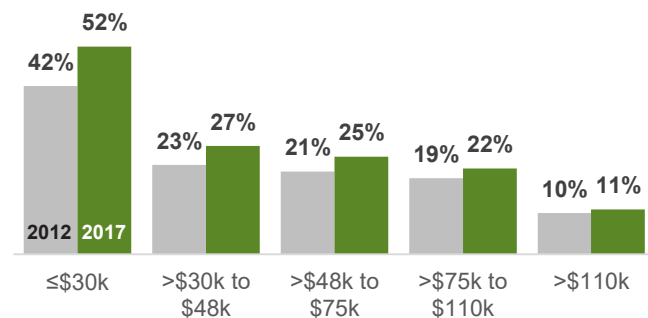
The percentage of income needed for North Carolina families making less than \$30,000 was substantially lower for two-year institutions. Families needed 15% of their income in 2017-18 to cover the state's median tuition at two-year institutions. In 2012-13 it was 13%.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Charges Data Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Data Files 2013 and 2018. American Community Survey Public Use Micro Sample Files 2012 and 2017.

Net Price as a Percentage of Income, Public Four-Year Type 1 Institutions

North Carolina families in the **lowest income category** were the **most affected** by the increase in net price **at four-year Type 1 institutions**.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

The increase in the percentage of income needed to pay for four-year Type 1 institutions in North Carolina was larger for families making less than \$30,000 than for any other income category.

Families making less than \$30,000 in 2012 needed 42% of their income to pay educational expenses. In 2017 it was 52%.

Families making over \$110,000 only needed 10% of their income in 2012 and 11% in 2017 to cover expenses at these institutions.

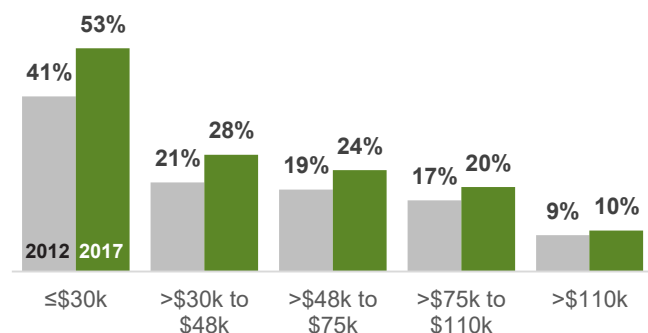
Net Price as a Percentage of Income, Public Four-Year Type 2 Institutions

North Carolina **families making less than \$30,000** were the **most affected** by the rising **cost of attendance at four-year Type 2 institutions**.

The increase in the percentage of income needed to pay for four-year Type 2 institutions in North Carolina was larger for families making less than \$30,000 than for any other income category.

Families making less than \$30,000 in 2012 needed 41% of their income to pay educational expenses. In 2017 it was 53%.

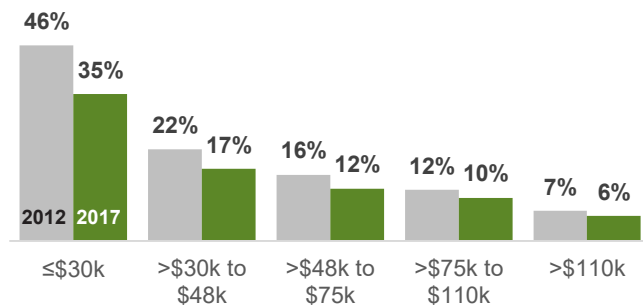
Families making over \$110,000 only needed 9% of their income in 2012 and 10% in 2017 to cover expenses at these institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

Net Price as a Percentage of Income, Public Two-Year Institutions

North Carolina families in the **lowest income category** were the **most affected** by the **decrease in net price at two-year institutions**.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

The decrease in the percentage of income needed to pay for two-year institutions in North Carolina was larger for families in the lowest income category.

At North Carolina's public two-year institutions, families making less than \$30,000 in 2012 needed 46% of their income to pay educational expenses. In 2017 it was 35%.

Families making over \$110,000 only needed 7% of their income in 2012 and 6% in 2017 to cover expenses at these institutions.

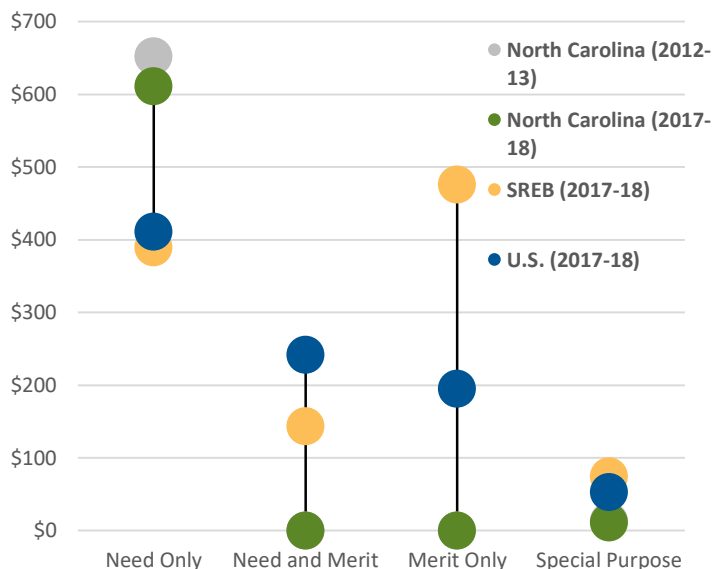
State Financial Aid Per Student

North Carolina awarded **more need-based aid in 2017-18** per full-time-equivalent student than the SREB and national averages. However, **need-based aid decreased** from 2012-13 to 2017-18.

	Need Only	Need and Merit	Merit Only	Special Purpose
North Carolina (2012-13)	\$652	\$0	\$0	\$13
North Carolina (2017-18)	\$610	NA	NA	\$11
SREB Average (2017-18)	\$389	\$143	\$476	\$74
U.S. Average (2017-18)	\$411	\$241	\$195	\$53

The state spent \$610, on average per undergraduate FTE student on need-based aid in 2017-18, compared to \$652 in 2012-13. The SREB average in 2017-18 was \$389 and the national average was \$411.

North Carolina spent \$11, on average, per FTE for special purpose financial aid in 2017-18, less than the SREB average for special purpose aid of \$74 and the national average of \$53.



National Association of State Student Grant & Aid Programs 2013 and 2018 annual survey (results for public institutions only). U.S. Department of Education, Integrated Postsecondary Education Data System Instructional Activity File, 2013 and 2018, and Directory File, 2012 and 2017.

Student Borrowing at Public Institutions

In 2017-18, North Carolina graduates **borrowed more than the national averages** to earn degrees at four-year institutions.

	North Carolina, 2012-13	North Carolina, 2017-18	SREB Average, 2017-18	U.S. Average, 2017-18
Four-Year Type 1	\$19,281	\$21,392	\$21,600	\$21,232
Four-Year Type 2	\$20,274	\$23,384	\$22,677	\$19,510
Two-Year	\$8,904	\$11,462	\$10,798	\$10,171

U.S. Department of Education, College Scorecard, 2012 and 2017. U.S. Department of Education, Integrated Postsecondary Education Data System, 12-Month Enrollment Instructional Activity Data Files 2013 and 2018 and Directory Files 2012 and 2017.

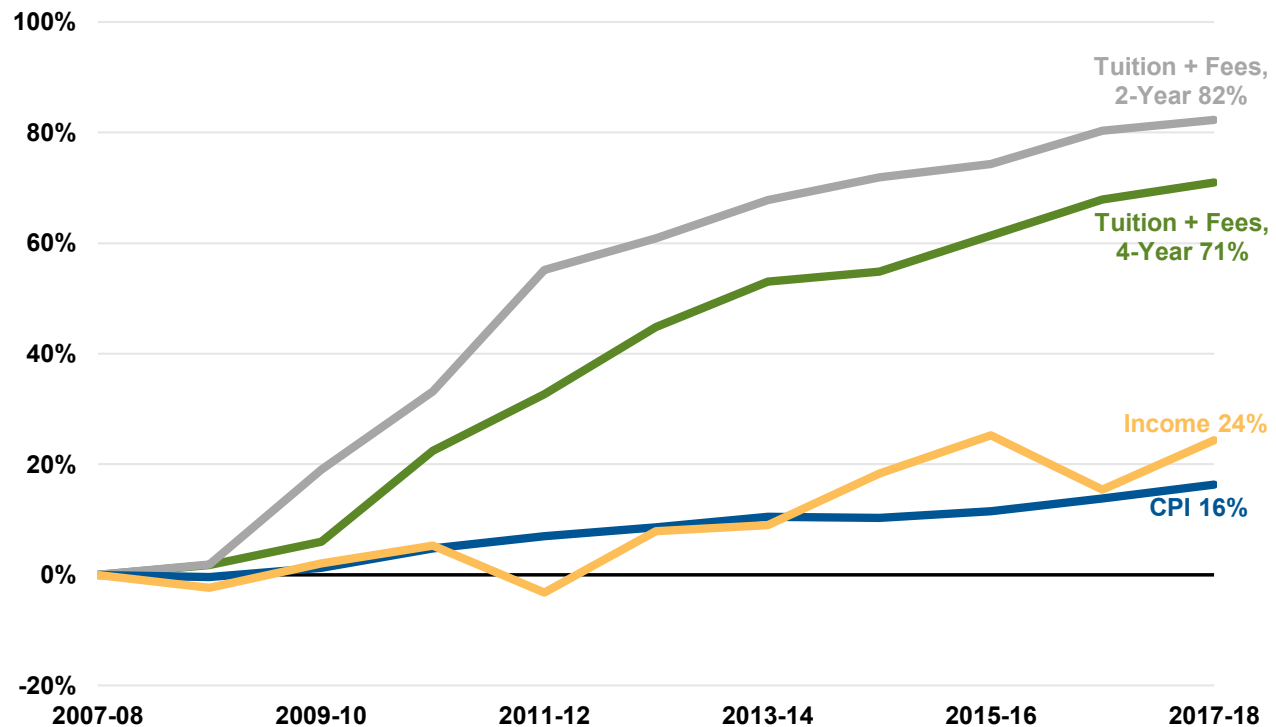
Graduates who sought a degree or certificate from four-year Type 1 universities in North Carolina in 2017-18 borrowed, on average, \$21,392 and graduates of four-year Type 2 institutions borrowed \$23,384. These amounts were higher than average amounts borrowed in 2012-13 and the national average in 2017-18.

Students at two-year colleges borrowed, on average, \$11,462 in 2017-18, more than the average amount in 2012-13 and more than the SREB and national averages in 2017-18.

Changes in Tuition and Fees, CPI and Household Income

Compared to the CPI and household income, **tuition and fees** at North Carolina public colleges and universities **increased substantially** between 2007-08 and 2017-18.

Over that decade, the CPI increased by 16% and median household income in North Carolina increased by 24%, while tuition and fees increased by 71% at four-year institutions and 82% at two-year institutions.

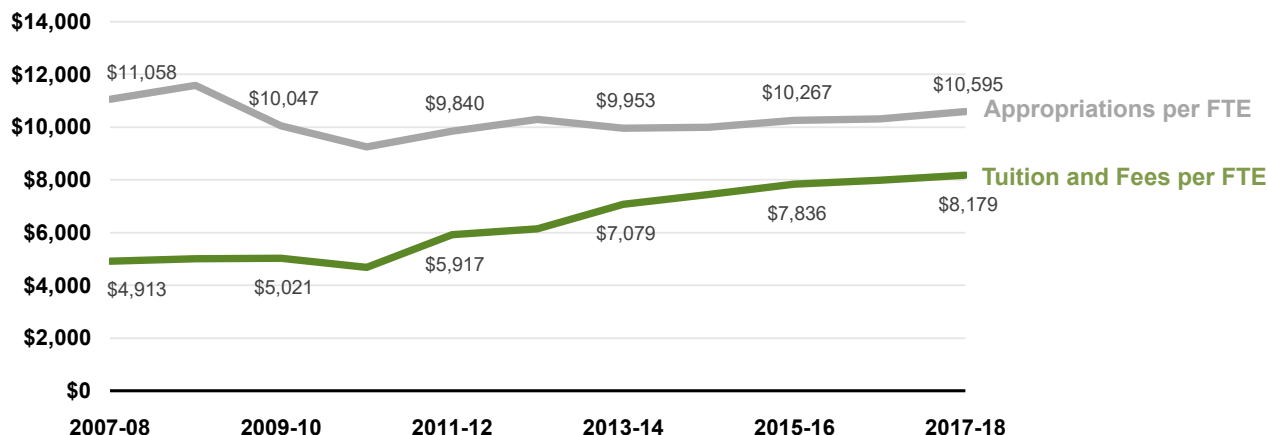


Consumer Price Index retrieved from FRED, Federal Reserve Bank of St. Louis: Bureau of Labor Statistics, South urban area, 2017. Tuition and fees retrieved from the U.S. Department of Education, Integrated Postsecondary Education Data System, Institutional Characteristics Files, 2007 to 2017. Median household income retrieved from FRED, Federal Reserve Bank of St. Louis: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, South region, 2020.

Dollars per FTE Student from State Appropriations and Tuition and Fees

Operational funds consisted **mostly of state appropriations** for North Carolina's **public four-year institutions** in 2017-18.

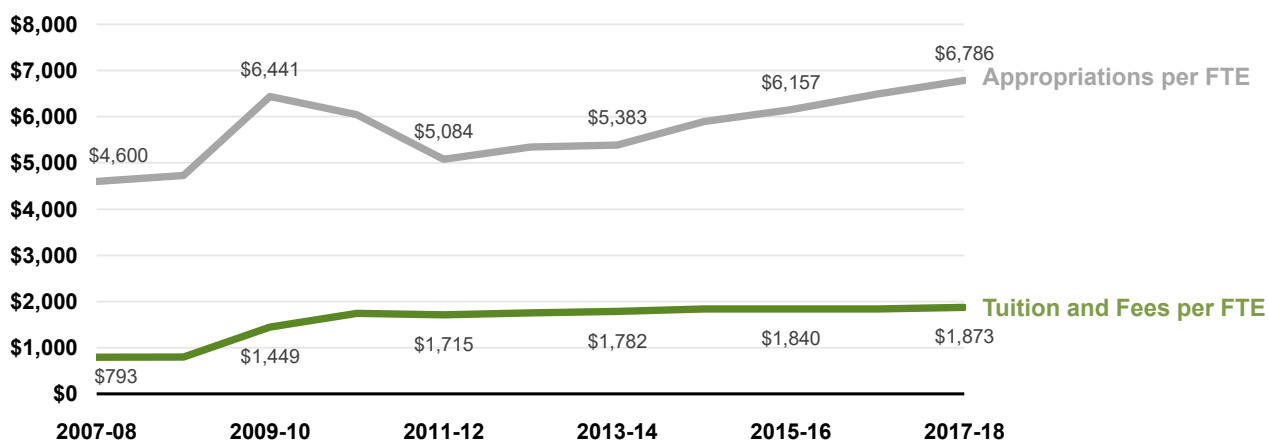
State appropriations per FTE student at North Carolina's four-year institutions decreased from \$11,058 in 2007-08 to \$10,595 in 2017-18. In comparison, net tuition and fees per FTE student increased from \$4,913 in 2007-08 to \$8,179 in 2017-18. However, the state continued to pay a larger share of the total funding per student.



Source: SREB-State Data Exchange

Operational funds consisted **mostly of state and local appropriations** for North Carolina's **public two-year institutions** in 2017-18.

State and local appropriations per FTE student at North Carolina's two-year institutions increased from \$4,600 in 2007-08 to \$6,786 in 2017-18. Net tuition and fees per FTE student increased from \$793 in 2007-08 to \$1,873 in 2017-18. The state paid a larger share of the total funding per student.



Source: SREB-State Data Exchange

Additional State Context

Postsecondary Enrollment. In 2017-18, 30% of students in North Carolina were enrolled in public four-year Type 1 institutions, 22% were enrolled at public four-year Type 2 institutions, and 48% were enrolled in public two-year colleges.

First-Year Retention. For the 2017 cohort, 89% of students attending public four-year Type 1 institutions in North Carolina were still enrolled one year later, 84% retained after the first year in public four-year Type 2 institutions, and 66% retained at public two-year.

Pell Grants. In 2017-18, 20% of the average cost of attendance in public four-year Type 1 institutions in North Carolina was covered by the average Pell Grant award. The average grant amount covered 23% of costs in public four-year Type 2 institutions and 29% of costs were covered in public two-year colleges.

Education Attainment. In 2018, over 51% of North Carolina's working adult population between ages 25 and 64 had a postsecondary credential of value. The state's educational attainment goal is to reach 51% by 2030.

Student Debt. In North Carolina, 55% of the class of 2019 graduated with debt, owing an average debt of \$26,583.

Sources: Enrollment: U.S. Department of Education, Integrated Postsecondary Education Data Systems, 2017. Retention: SREB-State Data Exchange. Pell: U.S. Department of Education: 2017-2018 Award Year Grant Volume by School (2019) and SREB analysis of National Center for Education Statistics student financial aid database, 2017-18. Educational attainment: State Higher Education Master Plans and Lumina Foundation, "A Stronger Nation," 2019. Student debt: The Institute for College Access & Success. College Insight, <https://college-insight.org>. Student debt and undergraduate financial aid data are licensed from Peterson's Undergraduate Financial Aid and Undergraduate Databases, © 2020 Peterson's LLC, all rights reserved. All data may be reproduced, with attribution, subject to restrictions under this Creative Commons license: <https://creativecommons.org/licenses/by-nc-nd/3.0/>.

North Carolina Institutions by Type

Public Four-Year Type 1

East Carolina University
University of North Carolina at Chapel Hill
University of North Carolina at Charlotte
University of North Carolina at Greensboro
North Carolina State University at Raleigh

Public Four-Year Type 2

Appalachian State University
Elizabeth City State University
Fayetteville State University
North Carolina A&T State University
University of North Carolina at Asheville
North Carolina Central University
University of North Carolina Wilmington
University of North Carolina at Pembroke
Winston-Salem State University
Western Carolina University

Public Two-Year

College of the Albemarle
South Piedmont Community College
Asheville-Buncombe Technical Community College
Beaufort County Community College
Bladen Community College
Blue Ridge Community College
Brunswick Community College
Caldwell Community College and Technical Institute
Cape Fear Community College
Carteret Community College
Catawba Valley Community College
Central Carolina Community College
Central Piedmont Community College
Cleveland Community College

Coastal Carolina Community College
 Craven Community College
 Davidson County Community College
 Durham Technical Community College
 Edgecombe Community College
 Fayetteville Technical Community College
 Forsyth Technical Community College
 Gaston College
 Guilford Technical Community College
 Halifax Community College
 Haywood Community College
 Isothermal Community College
 James Sprunt Community College
 Johnston Community College
 Lenoir Community College
 Martin Community College
 Mayland Community College
 McDowell Technical Community College
 Mitchell Community College
 Montgomery Community College
 Nash Community College
 Pamlico Community College
 Piedmont Community College

Pitt Community College
 Randolph Community College
 Richmond Community College
 Roanoke-Chowan Community College
 Robeson Community College
 Rockingham Community College
 Rowan-Cabarrus Community College
 Sampson Community College
 Sandhills Community College
 Southeastern Community College
 Southwestern Community College
 Stanly Community College
 Surry Community College
 Alamance Community College
 Tri-County Community College
 Vance-Granville Community College
 Wake Technical Community College
 Wayne Community College
 Western Piedmont Community College
 Wilkes Community College
 Wilson Community College

Notes

Type 1 four-year institutions award at least 30 doctoral degrees in five different areas. **Type 2** includes all other four-year institutions. The **public two-year category** includes institutions that primarily award associate degrees; the list may include two-year institutions that award bachelor's degrees. The **technical college category** includes postsecondary institutions that offer programs of less than two-years duration below the baccalaureate level and occupational and vocational schools with programs that do not exceed 1800 contact hours. This profile does not report data for the technical college category if less than 3% of students are enrolled in this sector.

Institutions are listed as they were categorized in the 2017-18 Data Exchange Survey and if they submitted the data required for this profile.

This profile is based on data reported to IPEDS by institutions during the 2017-18 academic year. Some IPEDS surveys collect data for the prior academic year; for instance, the 2017-18 Student Financial Aid survey collected data for the 2016-17 academic year.

Institutions or states may have updated data previously reported, or adjusted methodology to calculate a statistic. As a result, some data in the current profile may differ from data reported in past Affordability Profiles for the same time period.

See the technical guide at [SREB.org/Affordability](https://www.sreb.org/Affordability) for detailed sources and explanatory notes.

SREB College Affordability Profiles detail data and trends specific to each SREB state to assist policy-makers with decisions on postsecondary affordability and attainment. For additional resources, including recommendations of the Commission on College Affordability in the South and the SREB Fact Book on Higher Education, visit <https://www.sreb.org/Affordability>.