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.

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.

<table>
<thead>
<tr>
<th>Income Category</th>
<th>2012</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤30k</td>
<td>26%</td>
<td>23%</td>
</tr>
<tr>
<td>&gt;30k to 48k</td>
<td>19%</td>
<td>17%</td>
</tr>
<tr>
<td>&gt;48k to 75k</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>&gt;75k to 110k</td>
<td>17%</td>
<td>18%</td>
</tr>
<tr>
<td>&gt;110k</td>
<td>16%</td>
<td>21%</td>
</tr>
</tbody>
</table>


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.

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%.

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.

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.

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.

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.

<table>
<thead>
<tr>
<th></th>
<th>Need Only</th>
<th>Need and Merit</th>
<th>Merit Only</th>
<th>Special Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina (2012-13)</td>
<td>$652</td>
<td>$0</td>
<td>$0</td>
<td>$13</td>
</tr>
<tr>
<td>North Carolina (2017-18)</td>
<td>$610</td>
<td>NA</td>
<td>NA</td>
<td>$11</td>
</tr>
<tr>
<td>SREB Average (2017-18)</td>
<td>$389</td>
<td>$143</td>
<td>$476</td>
<td>$74</td>
</tr>
<tr>
<td>U.S. Average (2017-18)</td>
<td>$411</td>
<td>$241</td>
<td>$195</td>
<td>$53</td>
</tr>
</tbody>
</table>
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.

Student Borrowing at Public Institutions

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

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<tbody>
<tr>
<td>Four-Year Type 1</td>
<td>$19,281</td>
<td>$21,392</td>
<td>$21,600</td>
<td>$21,232</td>
</tr>
<tr>
<td>Four-Year Type 2</td>
<td>$20,274</td>
<td>$23,384</td>
<td>$22,677</td>
<td>$19,510</td>
</tr>
<tr>
<td>Two-Year</td>
<td>$8,904</td>
<td>$11,462</td>
<td>$10,798</td>
<td>$10,171</td>
</tr>
</tbody>
</table>

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.

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.

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.
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.


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
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 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.