

North Carolina

College Affordability Profile

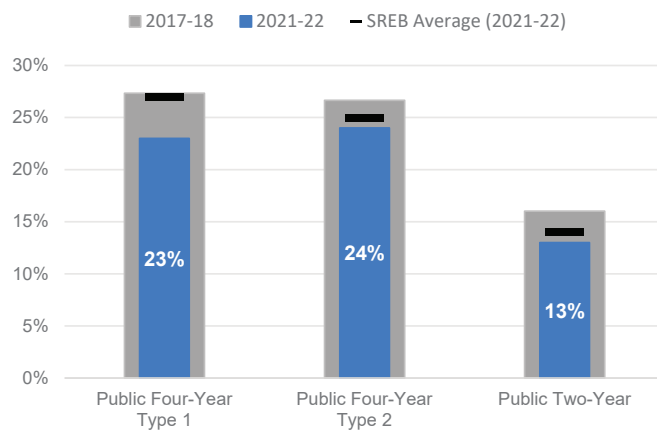
Southern Regional Education Board convened a Commission on College Affordability in the South and published a report in 2016 emphasizing that affordability is a critical factor in both access to and completion of postsecondary education. In this year's SREB College Affordability Profiles, SREB examined data for the 2021-22 academic year, the most recent year that student financial aid and net price data are available. North Carolina demonstrates a relatively strong commitment to college affordability through sustained state support and lower tuition levels. While challenges remain, particularly in income inequality and aid distribution, the state maintains better affordability metrics than many SREB states.

Family Income Needed for Net Price at Public Institutions

In 2021-22, the percentage of family income required to pay for full-time students at public four-year Type 1, four-year Type 2 and two-year institutions in North Carolina was lower than 2017-18 as well as the SREB averages.

In 2021-22, families in North Carolina needed, on average, 23% of their income to cover educational expenses for a full-time student at four-year Type 1 institutions and 24% at four-year Type 2 institutions. For two-year institutions, the average was 13% of family income.

The relatively small 10-percentage point gap between four-year Type 1 institutions and two-year institutions suggests more consistent affordability across institution types compared to other SREB states.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples 2018 and 2022. 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 and board, and more) minus federal, state and local government, or institutional grant and scholarship aid.

Distribution of Average Family Income

In North Carolina, students from families that made more than \$110,000 saw the largest increase in 2022. The 12-percentage point gap between highest and lowest income groups in 2022 indicates growing economic disparities among postsecondary students in North Carolina.



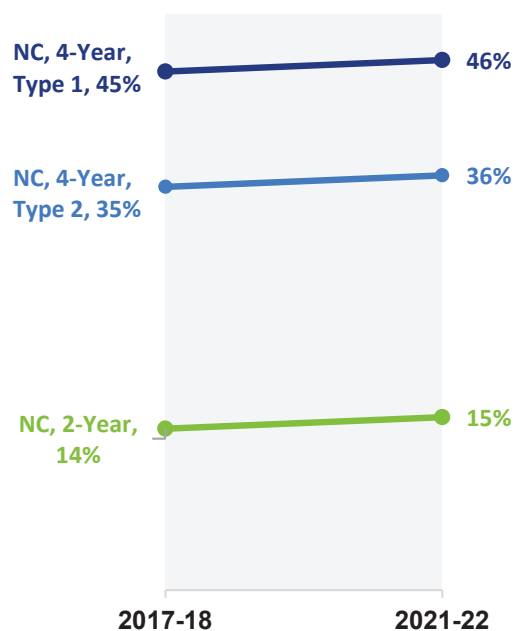
Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022.

Income Required for Median Tuition and Fees at Public Colleges 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 2017-18 and 2021-22.

North Carolina shows minimal increases across all institution types for low-income families. The 31-percentage point gap between four-year Type 1 and two-year institutions indicates significant disparities in accessibility.

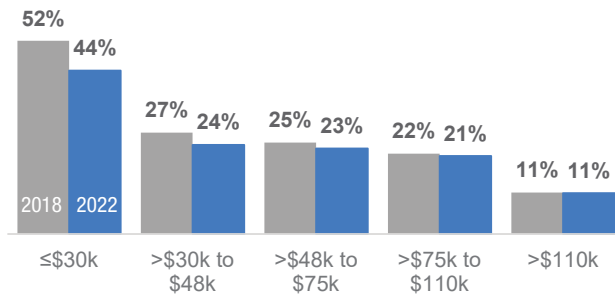
While the increases are modest and consistent across institution types, two-year institutions remain more affordable for families making less than \$30,000, requiring less than one-third of the income percentage required by four-year Type 1 institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Charges Data Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Data Files 2018 and 2022. American Community Survey Public Use Micro Sample Files 2018 and 2022.

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

North Carolina families in the lowest income category were the most affected by the decrease in net price at four-year Type 1 institutions from 2018 to 2022.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

In 2022, families earning less than \$30,000 needed 44% of their income to cover educational expenses, while those earning over \$110,000 required 11%.

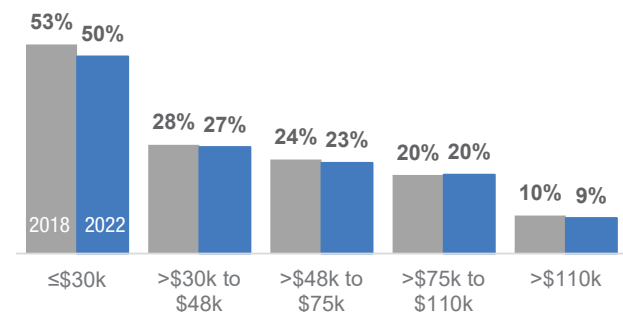
The 33-percentage point gap between highest and lowest income groups, while still significant, represents an improvement from the 41-percentage point gap in 2018. The pattern remains regressive but shows notable progress in reducing the burden on lower-income families.

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

The percentage of income that North Carolina families needed to pay for educational expenses at four-year Type 2 institutions decreased or remained stable from 2018 to 2022.

In 2022, families earning less than \$30,000 needed 50% of their income to cover educational expenses, while those earning over \$110,000 required just 9%.

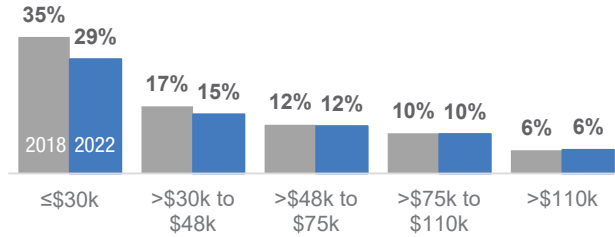
The 41-percentage point gap between highest and lowest income groups in 2022 indicates significant inequity in affordability, though slightly improved from the 43-percentage point gap in 2018. The pattern remains regressive but shows some progress in reducing the burden on lower-income families.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

Net Price as a Percentage of Income for 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 from 2018 to 2022.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

In 2022, families earning less than \$30,000 needed 29% of their income to cover educational expenses, while those earning over \$110,000 required just 6%.

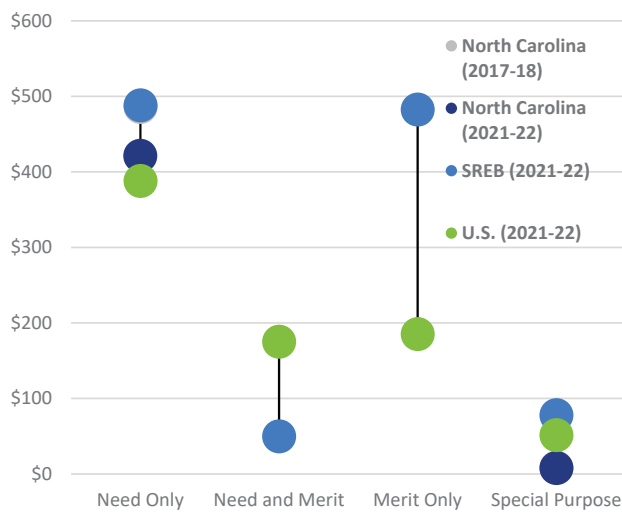
The 23-percentage point gap between highest and lowest income groups in 2022 represents an improvement from 29-percentage point gap in 2018.

Two-year institutions demonstrate better affordability metrics compared to four-year institutions, with the most significant improvements benefiting lower-income families.

State Financial Aid Per Student

North Carolina awarded more need-based aid in 2021-22 per full-time-equivalent (FTE) student than the national average. Need-based aid decreased from 2017-18 to 2021-22.

	Need Only	Need and Merit	Merit Only	Special Purpose
North Carolina (2017-18)	\$486	NA	NA	\$9
North Carolina (2021-22)	\$421	NA	NA	\$8
SREB (2021-22)	\$488	\$50	\$483	\$78
U.S. (2021-22)	\$388	\$175	\$185	\$51



North Carolina shows an exclusive focus on need-based aid, with no merit-based components. The state’s total aid amounts are generally below regional and national averages. The decrease in need-based aid over the period suggests reduced financial support for students with financial need.

The lack of merit-based programs indicates a policy focus on addressing financial need rather than academic achievement in aid distribution.

National Association of State Student Grant & Aid Programs 2018 and 2022 annual survey (results for public institutions only). U.S. Department of Education, Integrated Postsecondary Education Data System Instructional Activity File, 2018 and 2022, and Directory File, 2018 and 2022.

Student Borrowing at Public Institutions

In 2020-21, North Carolina graduates borrowed less than the national averages to earn degrees at four-year Type 1 and four-year Type 2 institutions.

	North Carolina 2015-16	North Carolina 2020-21	SREB Average 2020-21	U.S. Average 2020-21
Four-Year Type 1	\$21,333	\$20,246	\$20,710	\$20,550
Four-Year Type 2	\$23,821	\$23,180	\$21,912	\$20,758
Two-Year	\$8,709	\$10,813	\$10,088	\$10,653

U.S. Department of Education, College Scorecard, 2016-17 and 2021-22. U.S. Department of Education, Integrated Postsecondary Education Data System, 12-Month Enrollment Instructional Activity Data Files 2018 and 2022 and Directory Files 2018 and 2022.

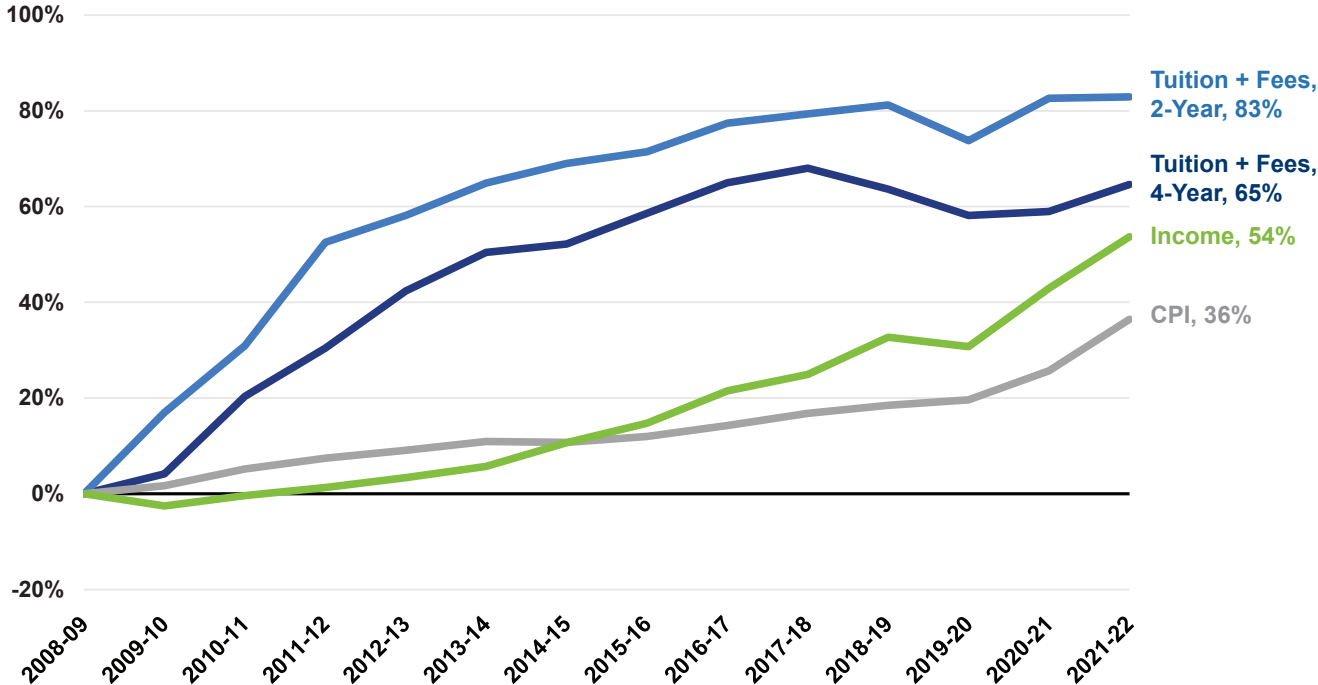
Graduates who sought a degree or certificate from four-year Type 1 universities in North Carolina in 2020-21 borrowed, on average, \$20,246 and graduates of four-year Type 2 institutions borrowed \$23,180. These amounts were lower than the national averages in 2020-21.

Students at two-year colleges borrowed, on average, \$10,813 in 2020-21, more than the average amount in 2015-16, the SREB and national averages in 2020-21. The substantial increase in two-year institution borrowing suggests growing affordability challenges at this level, despite lower overall amounts compared to four-year institutions.

Changes in Tuition and Fees, CPI and Family Income

The divergence between tuition and fees, family income and Consumer Price Index suggests decreasing affordability in North Carolina between 2008-09 and 2021-22.

The increase in tuition and fees for two-year institutions outpaced that of four-year institutions, while income growth lagged the growth rate of tuition and fees at both institution types.

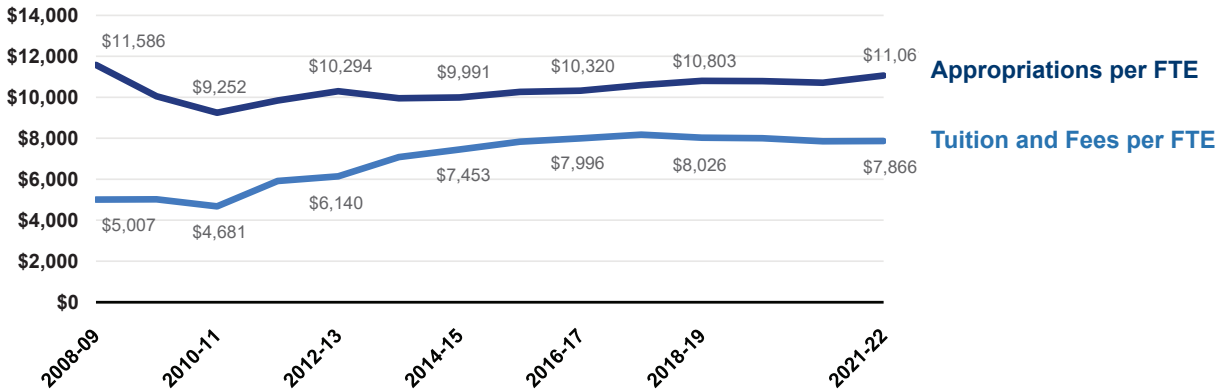


Consumer Price Index retrieved from FRED, Federal Reserve Bank of St. Louis: Bureau of Labor Statistics, South urban area, 2021. Tuition and fees retrieved from the U.S. Department of Education, Integrated Postsecondary Education Data System, Institutional Characteristics Files, 2008 to 2021. Median family income retrieved from the U.S. Census Bureau, U.S. Department of Commerce, American Community Survey, ACS 1-Year Estimates Detailed Tables, Table B19113, 2023.

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 2021-22.

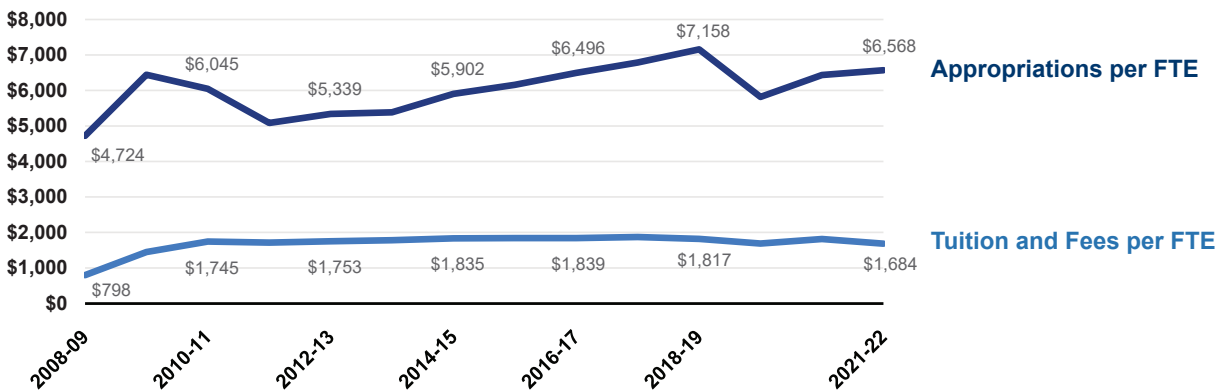
While tuition and fees have increased by about 57% since 2008-09, state appropriations have remained relatively stable after an initial decline, showing only a 4.5% decrease over the period. This funding pattern suggests continued state commitment to public higher education, though with increasing reliance on tuition revenue to supplement state support.



Source: SREB-State Data Exchange

Operational funds consisted mostly of state and local appropriations for North Carolina's public two-year institutions in 2021-22.

North Carolina maintains strong state support for two-year institutions, with appropriations consistently higher than tuition and fees. The gap between appropriations and tuition remains substantial, with state appropriations nearly four times higher than tuition and fees by 2021-22.



Source: SREB-State Data Exchange

North Carolina Fast Facts

Postsecondary Enrollment: According to 2021 fall enrollment, 21% of students in North Carolina were enrolled in public four-year Type 1 institutions, 26% were enrolled at public four-year Type 2 institutions and 54% were enrolled in public two-year colleges.

FAFSA: As of July 5, 2024, North Carolina's high school class of 2024 had a FAFSA completion rate of 48%, an 11% decrease from the rate on the same date in 2023.

Federal Student Aid: In 2021-22, 29% of students receiving any form of federal student aid were awarded Pell Grants, while 35% received federal student loans.

Education Attainment: In 2022, 54.4% of North Carolina's working adult population (ages 25 to 64) held a postsecondary credential, placing the state 0.1 percentage points above the national average of 54.3%. This figure includes short-term credentials, which account for 6.3% of North Carolina's credential attainment rate, including certificates and industry-recognized certifications.

Workforce Needs: By 2031, 68% of jobs in North Carolina will require a postsecondary credential. North Carolina ranks 24th among states in the percentage of jobs projected to require such credentials.

Sources: Postsecondary Enrollment: U.S. Department of Education, Integrated Postsecondary Education Data Systems, 2022.

FAFSA: FAFSA Tracker – National, Retrieved November 2024. <https://national.fafsatracker.com/schoolView/33>.

Federal Student Aid: SREB analysis of National Center for Education Statistics student financial aid database, 2021-22.

Educational attainment: Lumina Foundation, A Stronger Nation, Retrieved November 2024.

<https://www.luminafoundation.org/stronger-nation/report/#/progress/state/NC>.

Workforce Needs: Georgetown University, After Everything: Projections of Jobs, Education, and Training Requirements through 2031, Retrieved November 2024. <https://cew.georgetown.edu/cew-reports/projections2031/>.

North Carolina Institutions by Type

Public Four-Year Type 1

East Carolina University

North Carolina State University at Raleigh

University of North Carolina at Chapel Hill

University of North Carolina at Charlotte

University of North Carolina at Greensboro

Public Four-Year Type 2

Appalachian State University

Elizabeth City State University

Fayetteville State University

North Carolina A&T State University

North Carolina Central University

University of North Carolina at Asheville

University of North Carolina at Pembroke

University of North Carolina Wilmington

Western Carolina University

Winston-Salem State University

Public Two-Year

Alamance Community College

Asheville-Buncombe Technical

Community College

Beaufort County Community College

Bladen Community College

Blue Ridge Community College

North Carolina Institutions by Type

Public Two-Year (continued)

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
College of the Albemarle
Craven Community College
Davidson-Davie 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
South Piedmont Community College
Southeastern Community College
Southwestern Community College
Stanly Community College
Surry 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 2021-22 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 2021-22 academic year. Some IPEDS surveys collect data for the prior academic year; for instance, the 2022-23 Student Financial Aid survey collected data for the 2021-22 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 <https://www.sreb.org/state-affordability-profiles> 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 [SREB.org/Affordability](https://www.sreb.org/Affordability).