

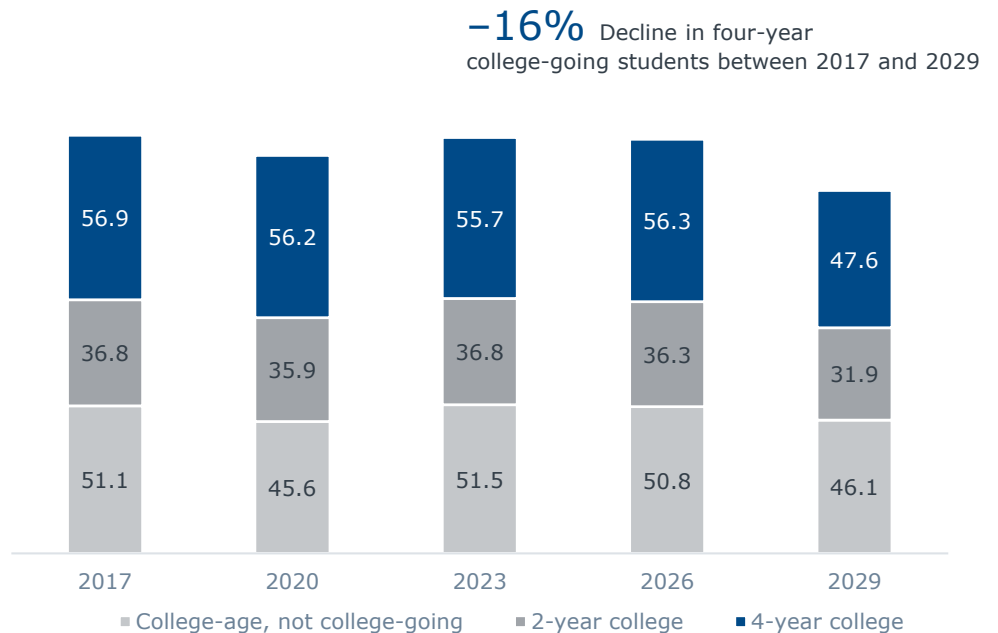
# State Outlook: North Carolina

## Demographics Trends

### Recruitment Pool Set to Shrink in the Next Decade

After minimal changes in North Carolina's enrollment patterns until 2026, demand for four-year college-going students will contract quickly and significantly between 2026 and 2029 (by 15%).

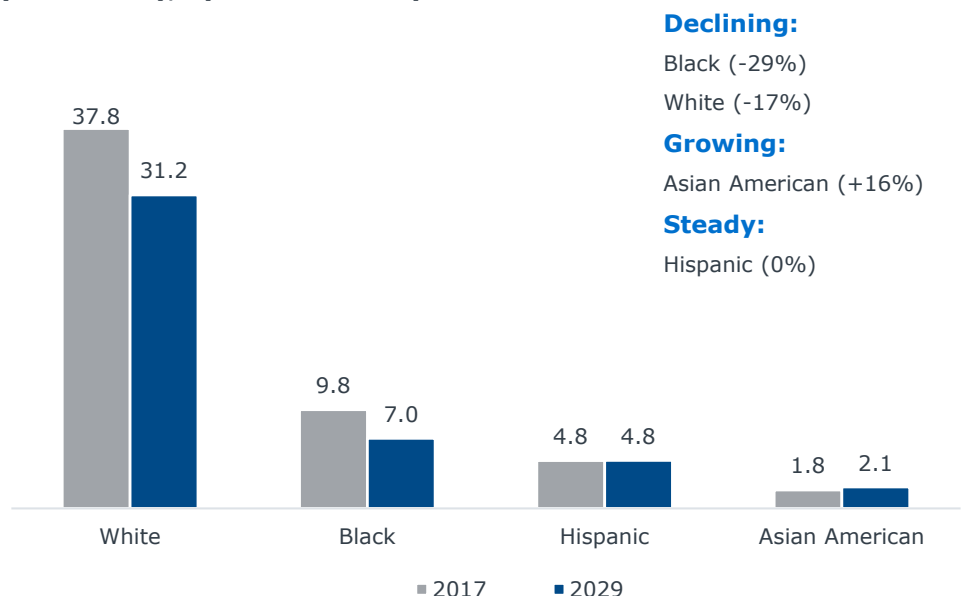
### Forecasted Number of College-Aged and College-Bound Students in North Carolina (Thousands), by Year of High School Graduation



### Large Decline in NC's White Student Population

The Non-Hispanic White student population will see the greatest decline in absolute terms (loss of about 7,000 students) over the next decade, followed by a significant decrease in the Non-Hispanic Black population. The only growth will be seen among Asian American students.

### Projected Number of Four-Year College-Going Students in North Carolina (Thousands), by Race/Ethnicity



Source: Grawe, Nathan D., *Demographics and the Demand for Higher Education*, 2017; EAB analysis.

# State Outlook: North Carolina

## Affordability Trends

### Higher Proportion of Low-Income Households

51% of North Carolina's households make less than \$50,000 per year compared to 46% nationally in the same income category. Similarly, North Carolina has a smaller proportion of wealthy households making over \$100,000 per annum.

### NC's Public Institutions More Affordable Than Median States'

The average net price at North Carolina's public institutions is 21% of the state's median household income, making it less economical than 63% of public institutions in the United States.

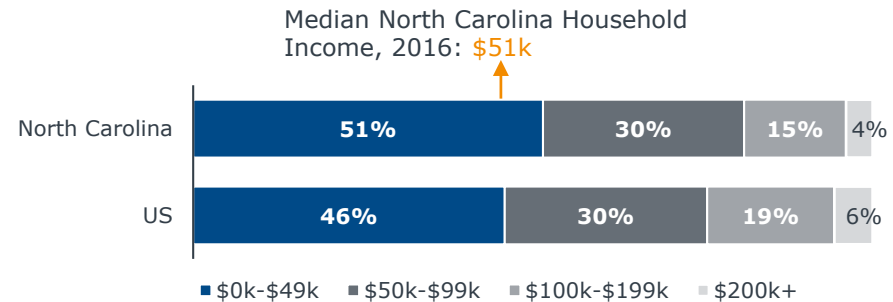
### NC's Private Institutions Less Affordable Than Most States'

In contrast to public institutions, private institutions in North Carolina are less budget-friendly than 73% of private institutions at all other states in the United States.

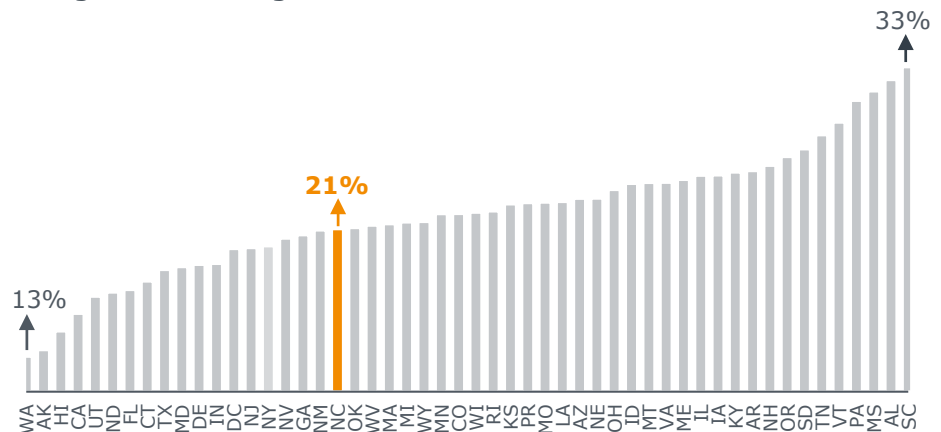
### Less Debt Among Graduates

Fewer college graduates are in debt in North Carolina than in the rest of the country. Average debt per borrower is also lower than that of the average US borrower.

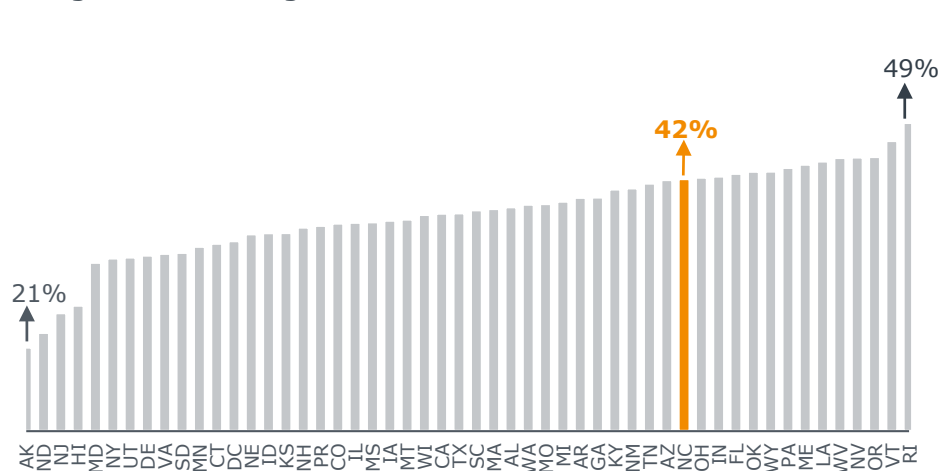
### Number of Households by Income Segment (Thousands), 2016



### Average Public College Net Price as % of Median Household Income



### Average Private College Net Price as % of Median Household Income



### Student Loan Statistics, 2016

	North Carolina	US
Percentage of College Graduates with Student Debt	58%	60%
Average Debt per Borrower	\$25,273	\$27,975

Source: IPEDS, National Center for Education Statistics; 2016 American Community Survey (ACS), U.S. Census Bureau; 2017 Student Loan Debt by School by State Report, LendEDU, 2018, <https://lendedu.com/blog/student-loan-debt-statistics-by-school-by-state-2017>; EAB analysis.

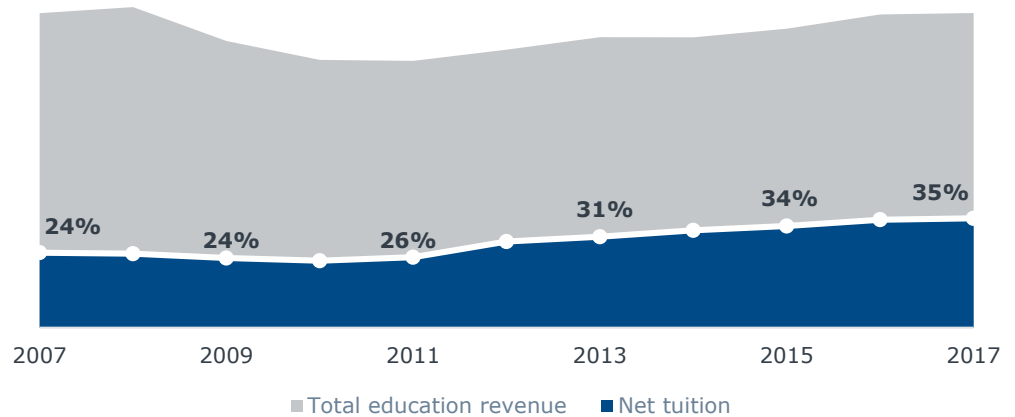
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## Funding and Appropriations Trends

### Reliance on Net Tuition Increased Post-Recession

Net tuition now comprises 35% of total education revenue in North Carolina, an increase of 11 percentage points since 2007.

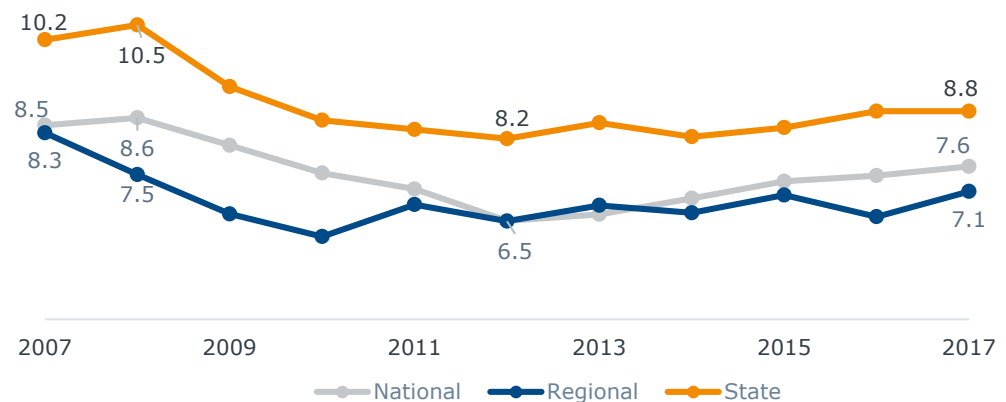
Net Tuition as a Proportion of Total Education Revenues, per Student FTE



### State Appropriations per Student FTE Well Above Regional and National Figures

Educational appropriations per student FTE in North Carolina have consistently remained higher than regional and national levels since 2007.

Educational Appropriations per Student FTE in NC, Regionally<sup>1</sup> and Nationally (Thousands), 2007-2017



### Larger Proportion of Tax Revenues Allocated to Higher Education

Given the high levels of state educational appropriations per student FTE, it is unsurprising that North Carolina allocates a larger proportion of its tax revenues to higher education than the majority of states.

Percentage of Tax Revenues Allocated to Higher Education by State, 2015

