



**NC Promise Tuition Plan  
FY 2023-24 Annual Report  
as required by G. S. 116-143.11(d)**

**October 19, 2023**

## NC Promise Tuition Plan Annual Report 2023-24

Session Law 2016-94 created the NC Promise Tuition Plan, which sets tuition at \$500 per semester for residents and \$2,500 per semester for nonresidents at Elizabeth City State University, Fayetteville State University, University of North Carolina at Pembroke, and Western Carolina University. The North Carolina General Assembly implemented a “buy down” of any financial obligations resulting from the loss of tuition receipts with a \$40 million appropriation in the first year (2018-19) and \$51 million in recurring funds for the 2019-20 academic year. The General Assembly appropriated an additional \$15 million in nonrecurring funds in 2020-21, which was then appropriated on a recurring basis in 2021-22 in the 2021 Appropriations Act, for a total of \$66 million. The 2021 Appropriations Act also added Fayetteville State University to the NC Promise program beginning in 2022-23. There was an additional \$11.5 million appropriated on a recurring basis beginning in 2022-23 for the tuition buy down of FSU students and an additional \$5 million recurring in 2022-23 for enrollment growth at ECSU, UNCP, and WCU. The total appropriated for the program in 2023-24 is \$82.5 million recurring.

The \$82.5 million buy down that is appropriated to offset the reduced tuition will be allocated for the 2023-24 fiscal year by the University of North Carolina System Office to ECSU, FSU, UNCP, and WCU based upon the enrollment at each institution and the difference in the tuition rate charged by the campus and the NC Promise rate.

Enrollment at three of the four NC Promise institutions remains above enrollment prior to the implementation of the NC Promise program, and out-of-state enrollment has increased at all four institutions. UNCP and WCU enrolled their largest classes ever in the fall of 2018, and ECSU reversed a decreasing enrollment trend. Undergraduate fall 2023 full-time equivalent (FTE) enrollment increased at WCU and FSU and decreased at ECSU and UNCP compared to fall 2022.

The table below shows the buy down calculation for the four NC Promise institutions. To keep up with higher costs and for parity with other institutions, the base tuition rate for nonresidents attending NC Promise institutions increased by 1.4 percent in 2023-24. The increase is equal to the average increase in nonresident tuition at the other non-research institutions in the UNC System for the 2023-24 academic year. Increasing the base tuition will increase the buy down rate for the institutions but not increase the tuition paid by students.

**Table 1: Buy Down Rate Calculation**

		Annual Rates			
Institution	Residency	Previous Base Tuition	New Base Tuition	NC Promise Tuition	Buy Down Rate
ECSU	Resident	\$ 2,856	\$ 2,856	\$1,000	\$ 1,856
	Nonresident	16,523	16,755	5,000	11,755
FSU	Resident	2,982	2,982	1,000	1,982
	Nonresident	14,699	14,905	5,000	9,905
UNCP	Resident	3,602	3,602	1,000	2,602
	Nonresident	15,690	15,910	5,000	10,910
WCU	Resident	3,971	3,971	1,000	2,971
	Nonresident	14,833	15,041	5,000	10,041

Now that enrollment has been verified at census, the initial 2023-24 allocation of the NC Promise funds will be distributed. Spring semester enrollment was estimated using a three-year average fall-to-spring retention at each institution. ECSU averaged 90.8 percent retention, FSU averaged 92.9 percent, UNCP averaged 88.2 percent retention, and WCU averaged 90.9 percent. The methodology was the same as required by G. S. 116-30.7 and previously used for the enrollment funding allocation.

**Table 2: FY 2023-24 Calculated Buy Down and Initial Allocation**

<b>Institution</b>	<b>Residency</b>	<b>Fall FTE</b>	<b>Estimated Spring FTE</b>	<b>Buy Down Rate</b>	<b>Calculated Buy Down</b>
ECSU	Resident	1,346	1,222	\$ 1,856	\$ 2,383,547
	Nonresident	489	444	11,755	5,487,243
	<b>Total</b>	<b>1,835</b>	<b>1,667</b>		<b>7,870,791</b>
FSU	Resident	4,569	4,243	1,982	8,732,671
	Nonresident	526	489	9,905	5,024,699
	<b>Total</b>	<b>5,095</b>	<b>4,732</b>		<b>13,757,370</b>
UNCP	Resident	4,287	3,780	2,602	10,495,289
	Nonresident	522	460	10,910	5,352,878
	<b>Total</b>	<b>4,809</b>	<b>4,240</b>		<b>15,848,167</b>
WCU	Resident	7,623	6,931	2,971	21,619,801
	Nonresident	1,573	1,430	10,041	15,079,383
	<b>Total</b>	<b>9,197</b>	<b>8,361</b>		<b>36,699,184</b>
<b>Total</b>	Resident	17,825	16,176		43,231,308
	Nonresident	3,110	2,823		30,944,204
	<b>Total</b>	<b>20,935</b>	<b>18,999</b>		<b>74,175,511</b>

Since G.S. 116-143.11(d) requires the System Office to submit an NC Promise report by October 1, this report reflects only the initial allocation of NC Promise funds for this fiscal year. Allocations will be further adjusted in late February based on spring census data and in April based on the prior year's summer term enrollment.

The NC Promise program has been a success on multiple fronts. College affordability has increased, contributing to a significant decrease in undergraduate student debt at graduation at all NC Promise institutions. In addition, ECSU, FSU, and WCU have increased their enrollment.