



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

North Carolina Community College System Budget Overview

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Fiscal Research Division
March 5th, 2025

1

Agenda – NC Community College System

1. Governance and Structure
2. Enrollment
3. Tuition and Waivers
4. State Funding
5. Workforce Development and Federal Funds



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2

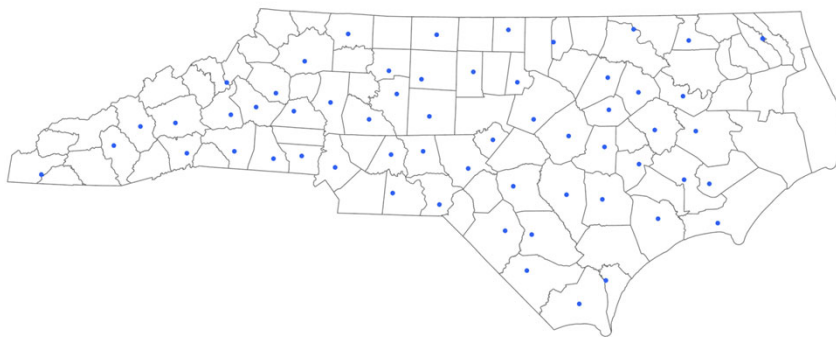
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2

Governance and Structure

3

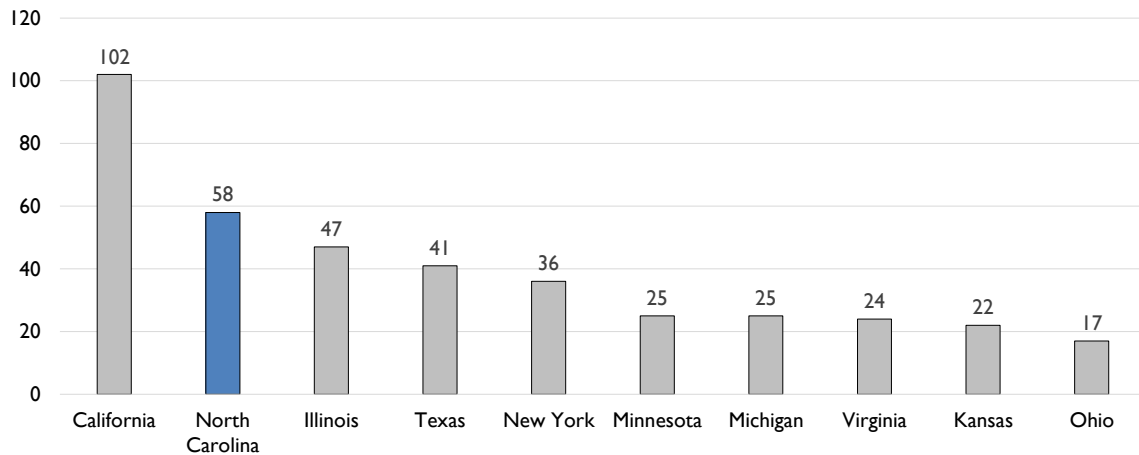
North Carolina Community College System (NCCCS)



58 colleges
41 multi-campus centers
~615,000 students enrolled
in 1 or more courses
~240,000 budgeted full-time
equivalent (FTE) students

4

Number of Public 2-Year Institutions, by State, Top 10



Source: College Board College Search, 2025



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5

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5

NCCCS Authority & Governance

State Constitution

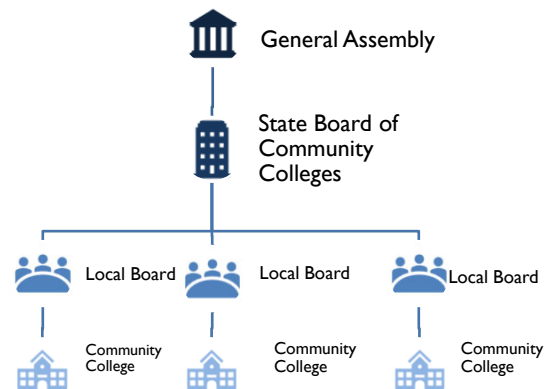
NC Constitution, Article IX, Section 8:

“The General Assembly shall maintain a public system of higher education, comprising The University of North Carolina **and such other institutions of higher education as the General Assembly may deem wise.**”

“The General Assembly **shall provide for the selection of trustees** of The University of North Carolina and of the **other institutions of higher education...**”

“**The General Assembly may enact laws necessary** and expedient for the maintenance and management of The University of North Carolina and the **other public institutions of higher education.**”

Governance Structure



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6

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6

NCCCS General Statute Purpose Statement

G.S. 115D-1

- "...educational institutions throughout the State offering courses of instruction in one or more of the general areas of two-year college parallel, technical, vocational, and adult education programs."
- "...designated as the primary lead agency for delivering workforce development training, adult literacy training, and adult education programs."



Enrollment



Major Instructional Program Areas

Curriculum

Credit courses that lead to certificates, diplomas, or associate degrees

Includes Career & College Promise (high school students earning college credit)

Workforce Continuing Education

Non-credit courses that provide job training opportunities to individuals

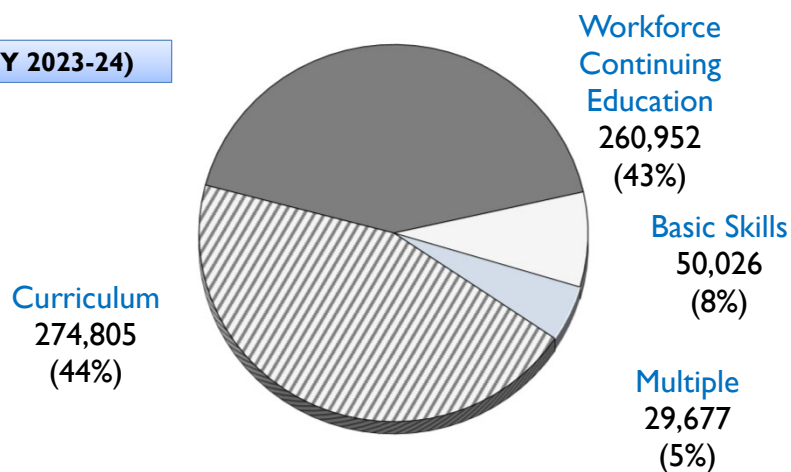
Basic Skills

Includes Adult Basic Education, GED, Adult High School, English as a Second Language (ESL), and Compensatory Education

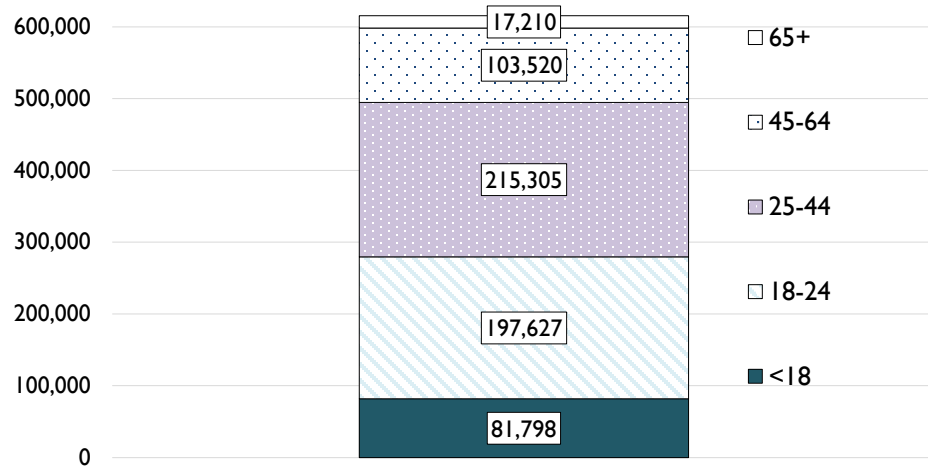


Instructional Programs by Headcount

Total: 615,460 (FY 2023-24)

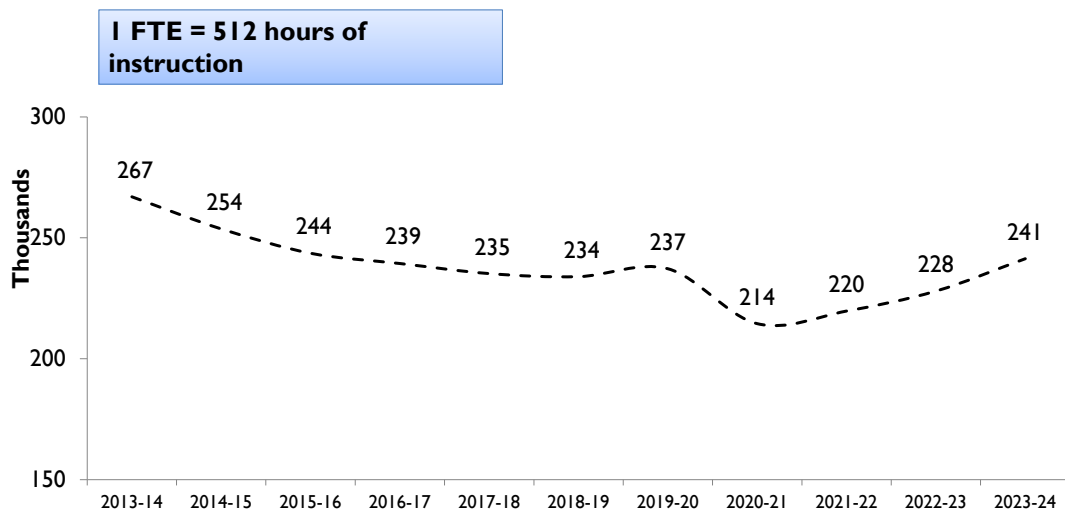


Total Headcount by Age Range, FY 2023-24



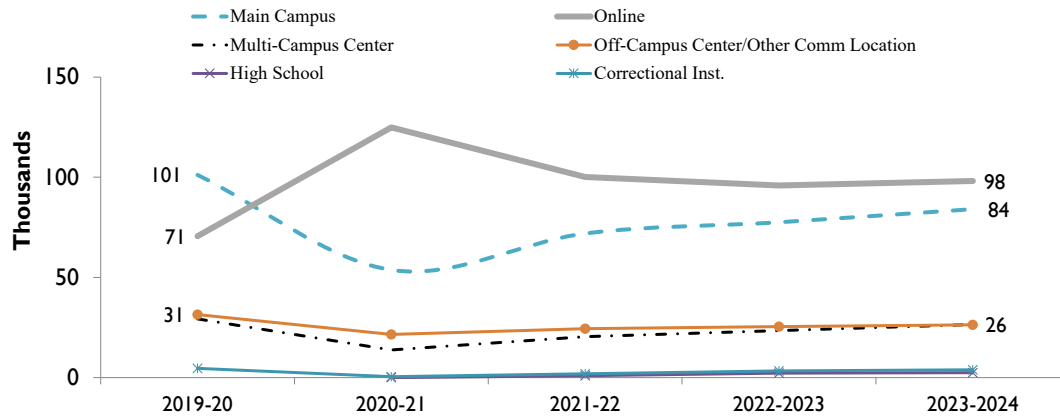
11

Full-Time Equivalent (FTE) Enrollment Trend



12

Change in Instructional Location (FTE) – FY 2019-20 to FY 2023-24



Tuition and Waivers

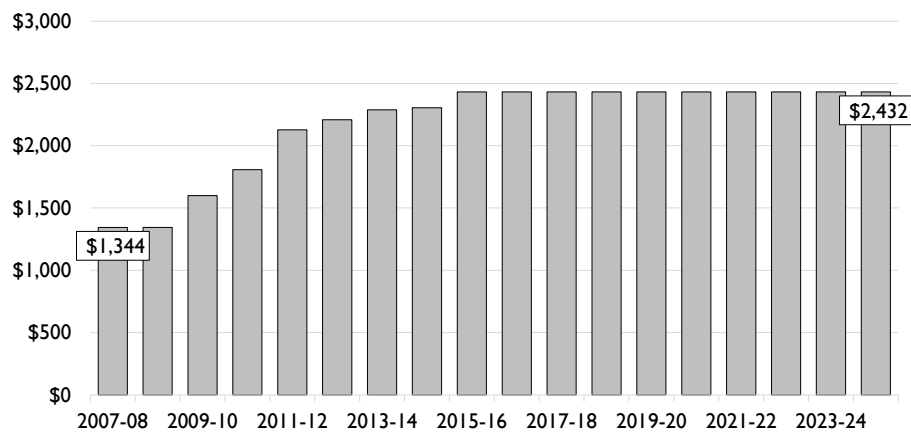
Tuition & Fees, FY 2024-2025

Curriculum (Tuition)	Workforce Continuing Education (Fees)	Basic Skills
<u>In-State</u> \$76 per credit hour \$2,432 full-time <u>Out-of-State</u> \$268 per credit hour \$8,576 full-time	\$70 for 0-24 hours \$125 for 25-50 hours \$180 for 51+ hours	\$0



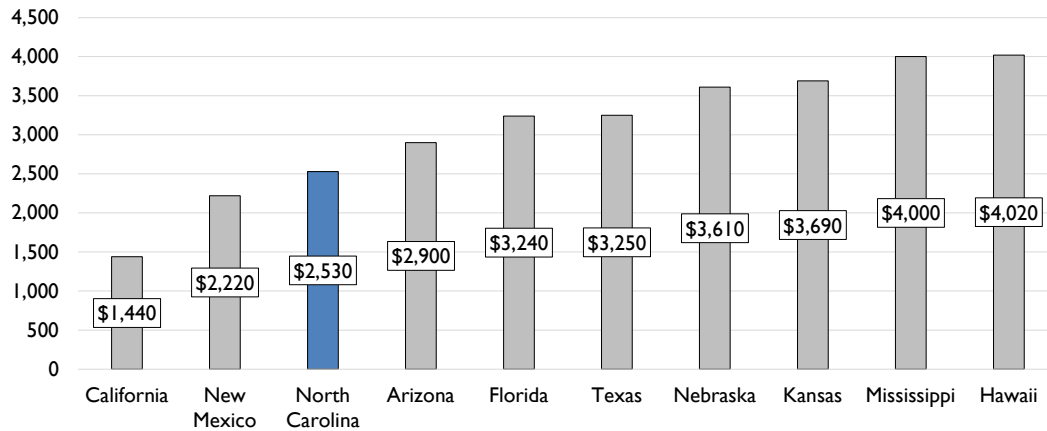
15

Curriculum Tuition, Full-Time Student, Annual



16

In-State Tuition and Fees, National Comparison, 2024-25



Source: College Board Trends in College Pricing and Student Aid 2024



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17

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17

Tuition and Fee Waivers, FY 2023-24

G.S. 115D-5

The General Assembly provided tuition waivers to 232,618 students for a value of \$126.2 million for a variety of purposes in FY 2023-24.

Largest waivers

1. Career and Collect Promise (High School)
2. Fire Department (Volunteer, Municipal, County, or State)
3. Law Enforcement Agencies (Municipal, County, or State)



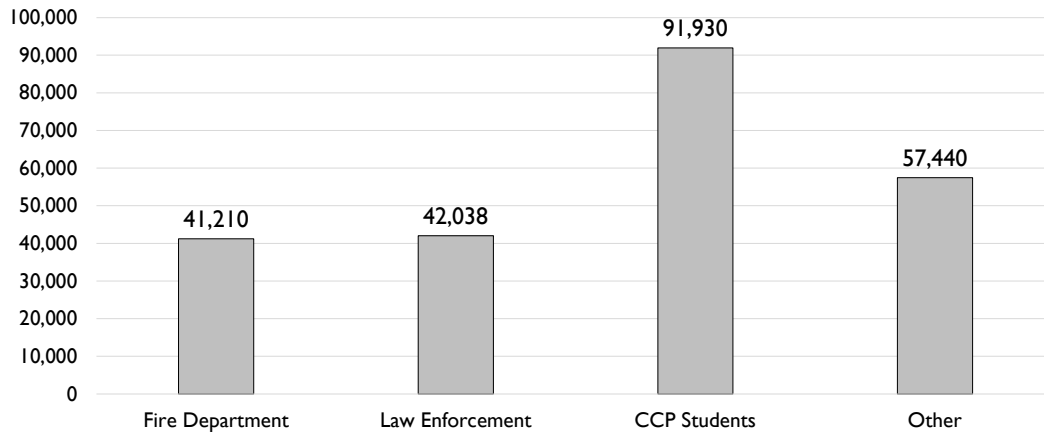
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18

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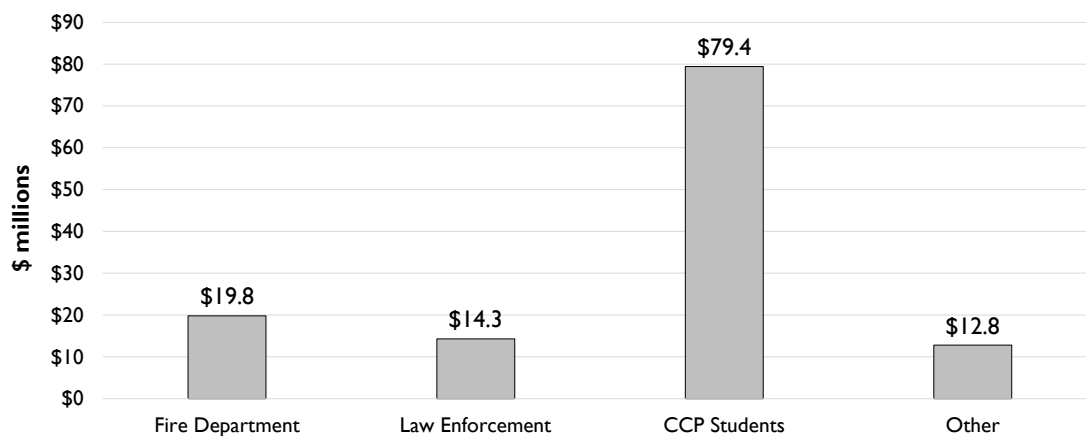
18

Tuition and Fee Waivers by Student Count



19

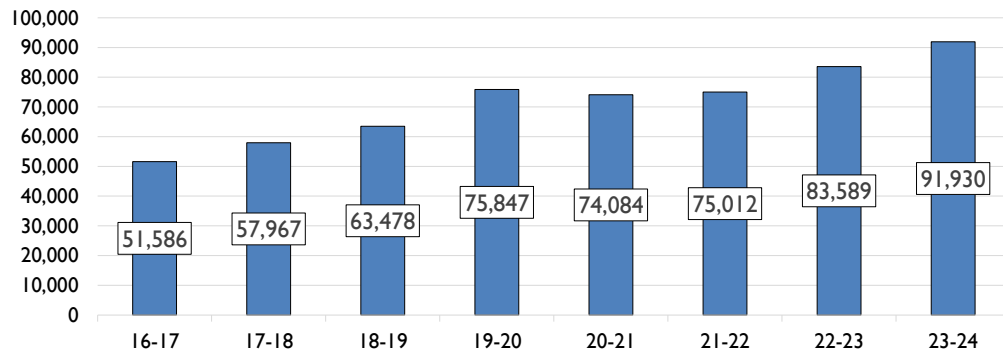
Tuition and Fee Waivers by \$



20

Number of NC High School Students Dually Enrolled

General Assembly allows high school students to take community college courses through Career and College Promise pathways at no tuition cost.



Source: NCCCS Tuition and Fee Waiver Reports, 2018-2025



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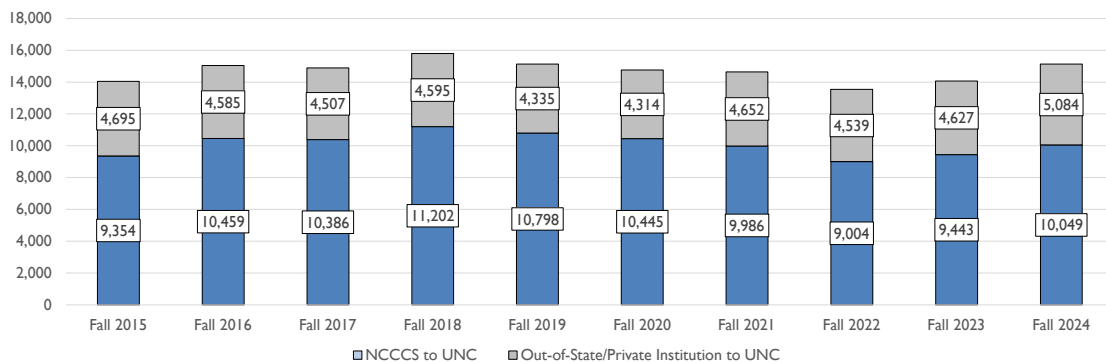
21

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21

Transfers into the UNC System

NCCCS students account for majority of transfer students into the UNC System.



Source: UNC Data Dashboard, Transfer Student Data Less UNC-to-UNC transfers



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22

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22

State Funding



23

State Role v. Local Role (Simplified)

State Role (G.S. 115D-31)

General Administration
Instructional Services
Support Services

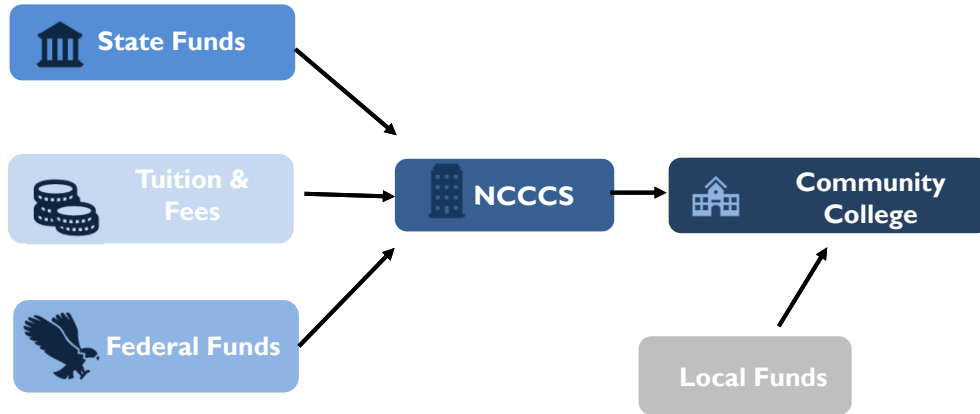
Local Role (G.S. 115D-32)

Plant/Building Funds
Building Operating and Maintenance
Certain Insurance and Legal Fees



24

NCCCS Funding Structure



Note: This diagram represents a simplified version of NCCCS's funding structure. Actual funding structure may vary.

25

NCCCS – General Fund Appropriation

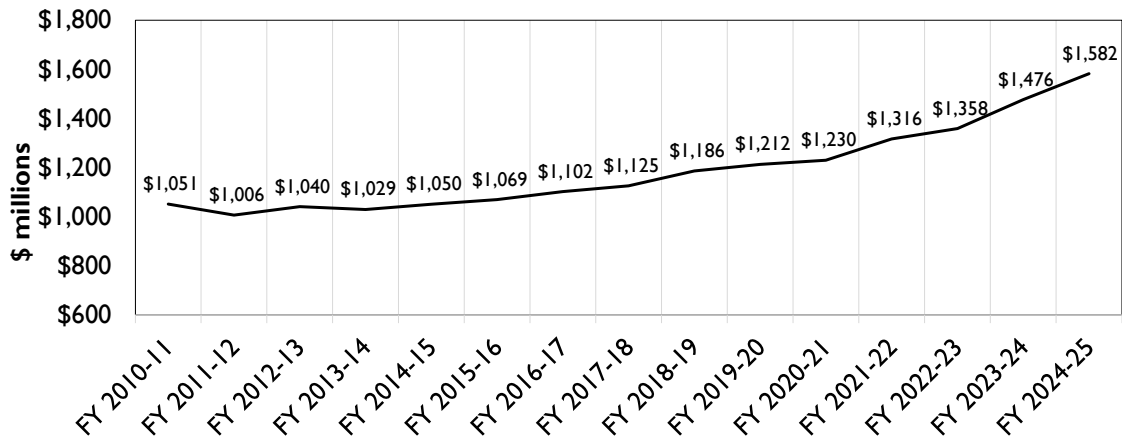
State General Fund authorized requirements equal **\$2.2 billion** in FY 2024-25, with receipts of **\$613 million** and a net appropriation of **\$1.6 billion**.

	Authorized Budget FY 2023-2024	Authorized Budget FY 2024-25
Requirements	\$2,130,657,363	\$2,194,722,453
Receipts	\$654,317,258	\$612,574,580
Net Appropriation	\$1,476,340,105	\$1,582,147,873

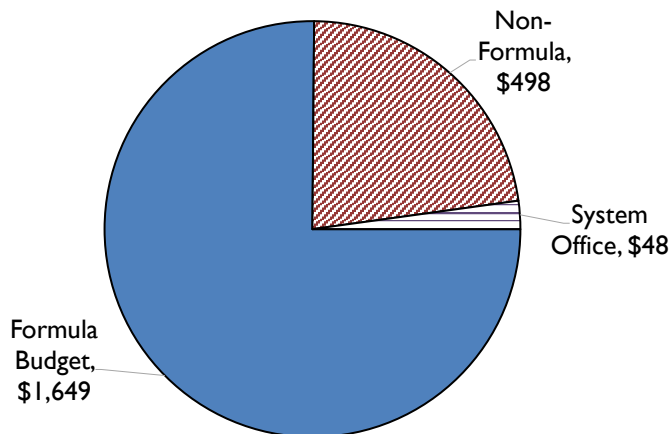
Source: Authorized Budget FY 2023-2024 (Year-end) and FY 2024-25 (March 2025)

26

Net Appropriation, FY 2010-11 to FY 2024-25



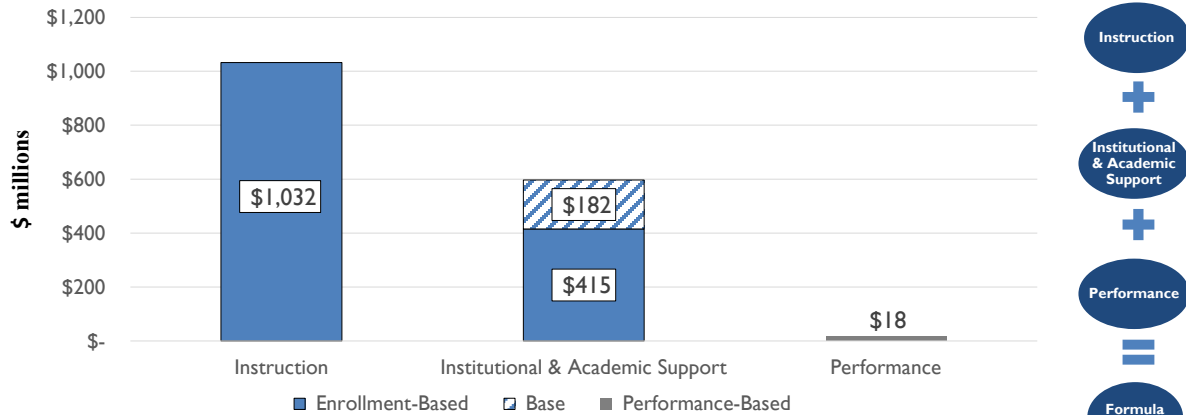
General Fund Budget (\$2.2 billion)



~75% of State funding to Community College System is distributed annually by a formula



NCCCS Formula Budget, FY 2024-25



Source: Community College System Office, FY 24-25 Aid Allocations and Budget Policies



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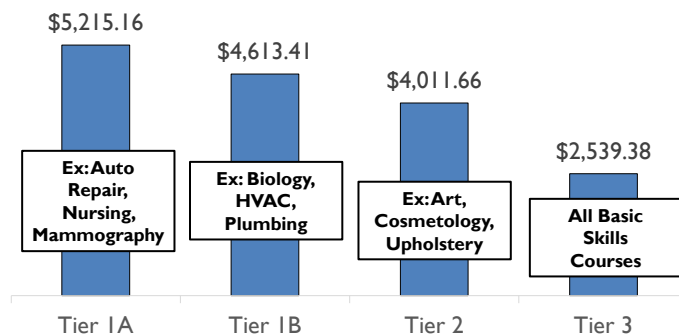
29

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29

Instruction Allocation

Funds to support instruction are allocated based on the FTE colleges have in each type of course. Certain courses receive more State funds based on a tier classification system.



Source: Community College System Office, FY 24-25 State Aid Allocations and Budget Policies



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30

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30

Instruction Allocation Tier Levels

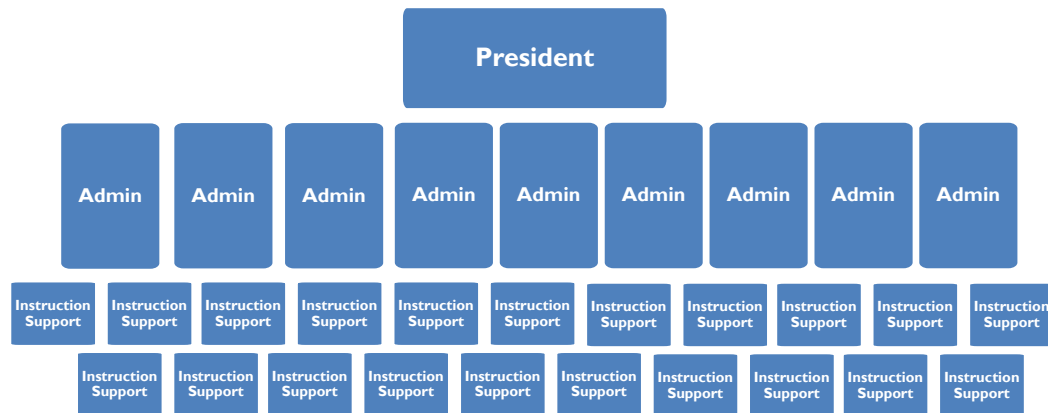
Tier	Description
Tier 1A \$5,215.16	Curriculum and Workforce Continuing Education courses in health care and technical education aligned to priority occupations with skills gaps and high wages
Tier 1B \$4,613.41	Curriculum and Workforce Continuing Education courses in other high-cost and high-priority areas of health care, technical education, science, and math
Tier 2 \$4,011.66	Remaining Curriculum courses and Workforce Continuing Education courses leading to a credential
Tier 3 \$2,539.38	Basic Skills courses and remaining Workforce Continuing Education courses



31

Institutional and Academic Support Allocation

All colleges a receive a **\$2.8 million** base allotment to support 30 administrative and instructional support staff and an allotment for the president's salary.



32

Institutional and Academic Support Allocation

Multi-Campus Center Allotment



Level 1: <1,200 FTE
\$663,949



Level 2: >1,200 FTE
\$1,110,573

Enrollment Allotment



\$1,974 per FTE in
excess of 750 FTE



33

Performance-Based Allocation

\$18M is allocated to colleges based on student outcomes for 6 performance measures.

Success rate in college-level English courses

Success rate in college-level math courses

First-year curriculum student progression

Curriculum student completion

Licensure and certification passing rates

Performance of students who transfer to a 4-year institution

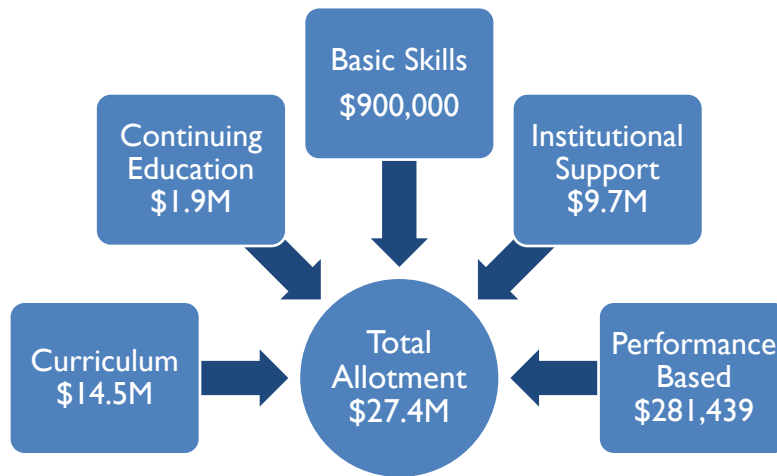


Performance-based funding represents ~1% of funds allocated via the formula budget.



34

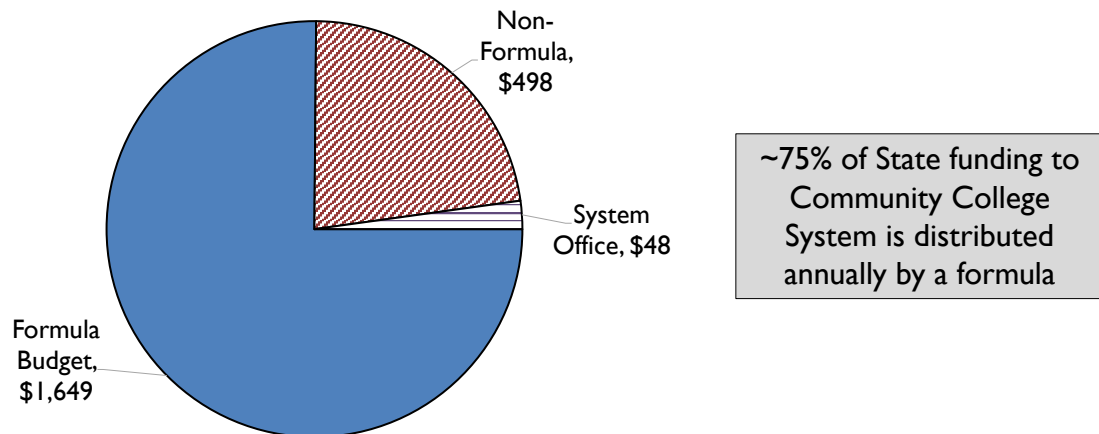
Example: Alamance CC Formula Allotment



Source: Community College System Office, FY 24-25 State Aid Allocations and Budget Policies (prior to enrollment adjustment)

35

General Fund Budget (\$2.2 billion)



36

Notable Non-Formula Allocations

General Assembly also provides funds to colleges outside the formula budget to assist with instructional costs, academic support, and student support.

Examples from 2023-25 biennium (total allocation)

- Equipment Allotment: \$49 million R
- Childcare Grants: \$3 million R
- Healthcare Start-up and Expansion: \$55 million NR
- Faculty Recruitment and Retention: \$32 million R



Specific Programs and Centers (\$10.8 million)

NC Research Campus (Rowan Cabarrus CC):	\$3.5 million
NC Military Business Center (Fayetteville TCC):	\$2.2 million
Manufacturing Solutions Center (Catawba Valley CC):	\$1.1 million
Marine Technology (Cape Fear CC):	\$865,000
Center for Applied Textile Technology (Gaston College)	\$770,000
Prison Education Program (Cleveland CC)	\$585,000
Anspach Advanced Manufacturing (Mayland CC)	\$515,000
Career Academies (Cape Fear CC)	\$500,000 NR
Viticulture and Enology (Surry CC)	\$250,000
Equipment (James Sprunt)	\$250,000
Truck Driver Training (Caldwell CC & TI)	\$150,000
Botanical Lab (Fayetteville TCC)	\$100,000

Some colleges
receive categorical
allocations to
supplement operating
funds provided by the
formula budget.



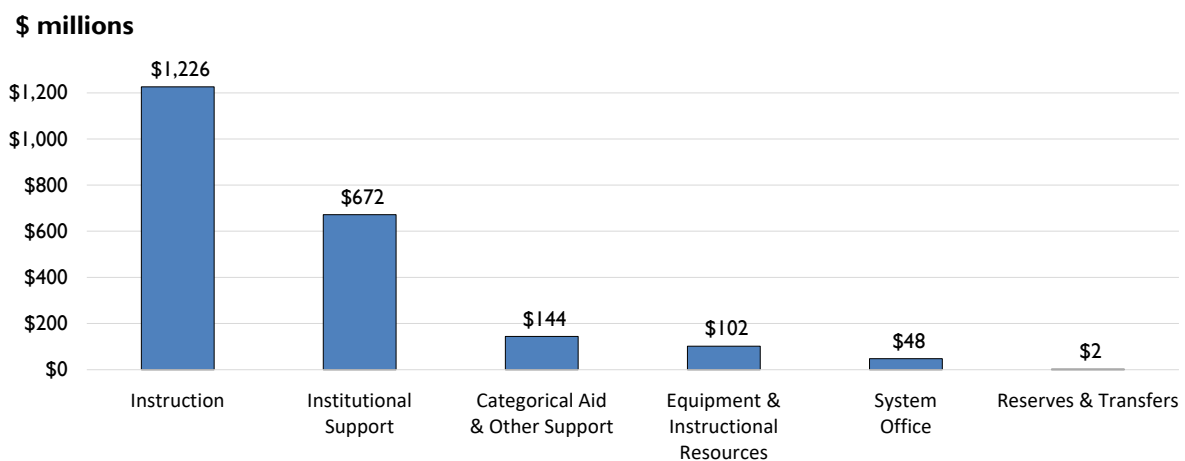
Funding Flexibility for State Funds

G.S. 115D-31(b1)

- The General Assembly provides colleges to have flexibility to meet individual college needs
- The formula budget is for allocation purposes only
- Colleges can spend the allocations for purposes that meet the demands of the local community except:
 - Basic Skills funds
 - Customized Training funds



FY 2024-25 NCCCS Authorized Expenditures (\$2.2B)

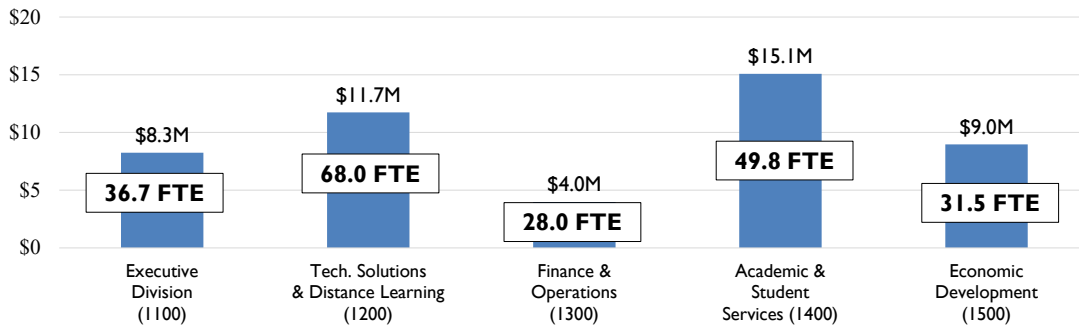


Source: NCFS, Jan. 2025 Authorized Budget



Community College System Office

\$ millions



What it is:

- Central system support
- Systemwide initiatives

What it pays for:

- Finance, management, allocations
- System IT
- Academic and student service support
- ApprenticeshipNC



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41

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41

Workforce Development and Federal Funds



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42

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42

Workforce Development

(G.S. 115D-1): The Community Colleges System Office is designated as the primary lead agency for delivering **workforce development training**, adult literacy training, and adult education programs in the State.

1. Customized Training Program
2. Small Business Centers
3. ApprenticeshipNC



43

Customized Training Program (\$13 million)

- Community colleges work alongside companies in the State to provide tailored training to employees
- Training costs are covered by the State
- Program serves a range of industries including advanced manufacturing, IT, life sciences, and warehouse distribution

Customized Training Program Totals (FY 2023-24)		
Expenditures	Employees Trained	Average Cost Per Trainee
\$14M	29,924	\$464.46



44

Small Business Centers (\$10M)

- Mission is to help small businesses within each college's service area
- Assistance includes seminars, workshops, one-on-one counseling, resources, and referrals to other sources
- All 58 colleges receive a base allocation of \$163k – can receive more based on performance metrics
- 11,715 clients served last year



ApprenticeshipNC (\$1 million net GF Appropriation)

- State Apprenticeship Agency – assist in the registration, compliance, and expansion of Registered Apprenticeships
- Help employers to develop a program that includes wages, education, and on the job learning
- Registered Apprentices increased from **3,438** to **4,990** in FY 2023-24
- Registered Pre-Apprentices increased from **1,186** to **1,774** in FY 2023-24
- Expansion funding provided in 2021-23 biennium – State provided **\$12M NR** for tuition assistance, partial wages, and employer costs



NCCCS Federal Grants List, FY 2024-25

Funding Category	Funding Source	Amount	Expires	Description
Perkins Title I	US ED	\$16.2M	9/30/2026	Supports Career and Technical Education programs
WIOA Title II	US ED	\$20.4M	9/30/2026	Supports adult education and family literacy programs
WIOA Commerce	DOL	\$350,000	N/A	Supports ApprenticeshipNC
Apprenticeship Expansion	DOL	\$2.1M	6/30/2025	Supports ApprenticeshipNC
Apprenticeship Building America	DOL	\$4M	6/30/2026	Supports ApprenticeshipNC
Economic Development Admin. - BBBRC	DOC	\$16.4M	5/28/2027	Provides life sciences manufacturing training at 10 colleges
SNAP E&T	DHHS	\$4M	9/30/2025	Provides job and skills training for SNAP E&T enrollees
NCDIT Digital Navigators	US Treasury	\$1.3M	4/1/2025	Supports digital literacy programs at 20 colleges



47

Questions?

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48