



**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 5<sup>th</sup>, 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

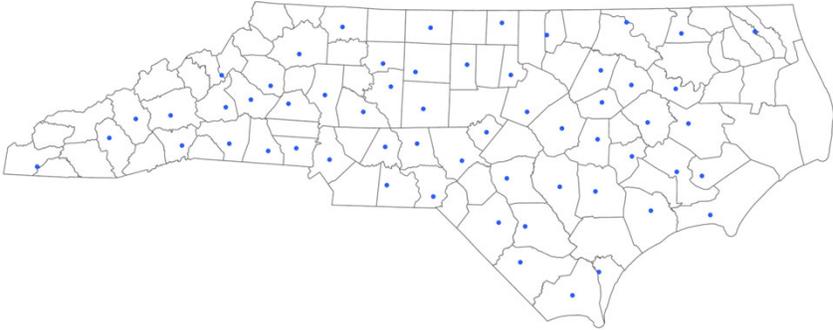


2

# Governance and Structure

3

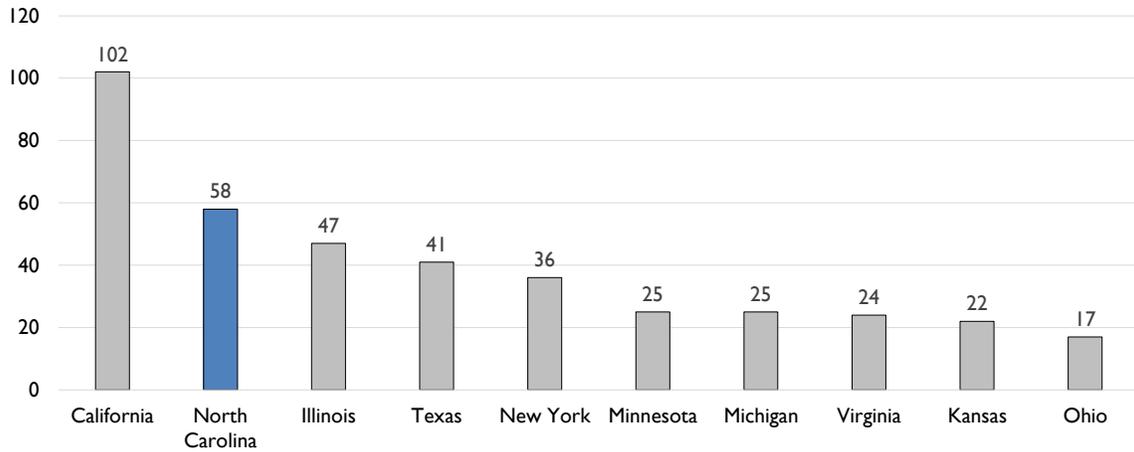
## North Carolina Community College System (NCCCS)



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

5

## NCCCS Authority & Governance

### State Constitution

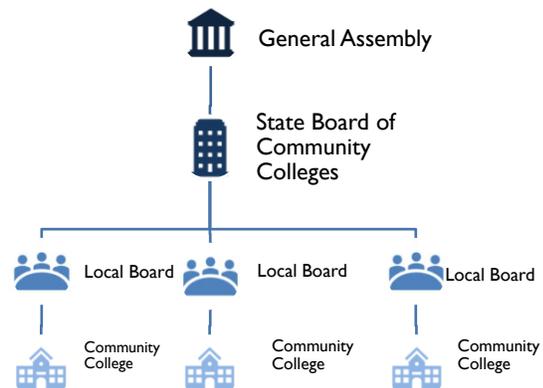
#### NC Constitution, Article IX, Section 8:

“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



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.”



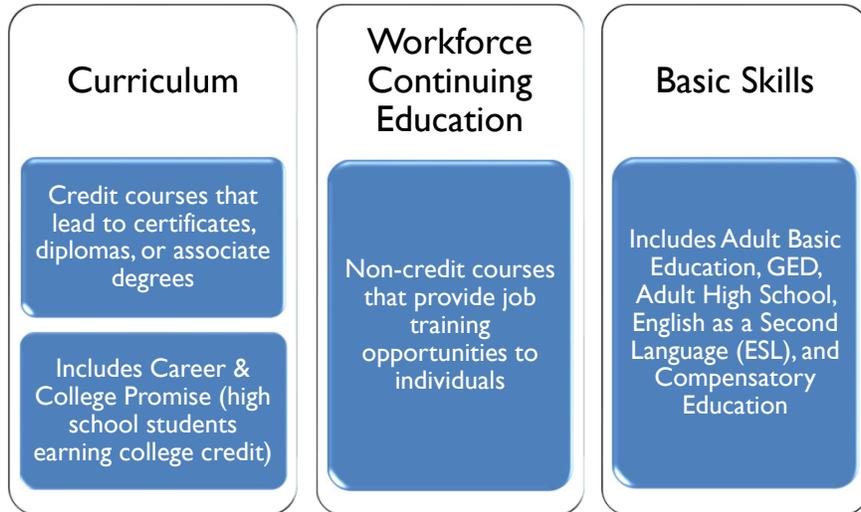
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# Enrollment



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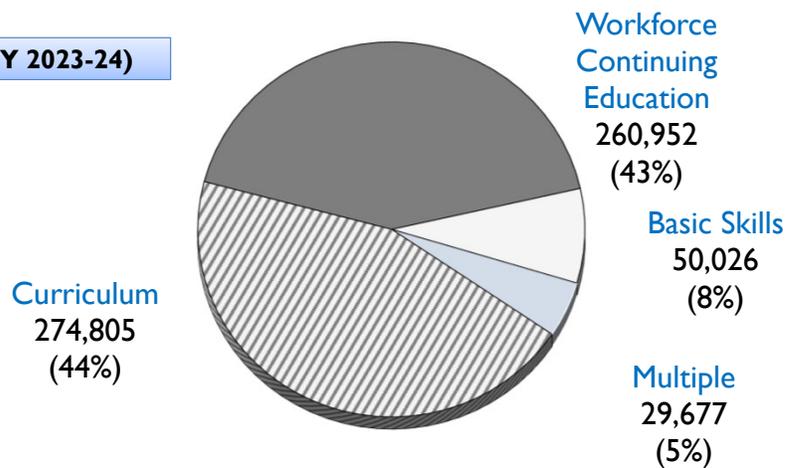
# Major Instructional Program Areas



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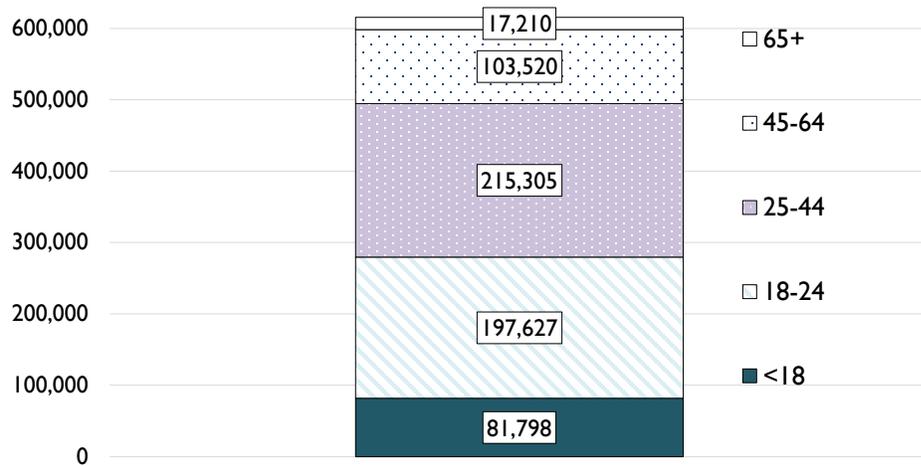
# Instructional Programs by Headcount

Total: 615,460 (FY 2023-24)



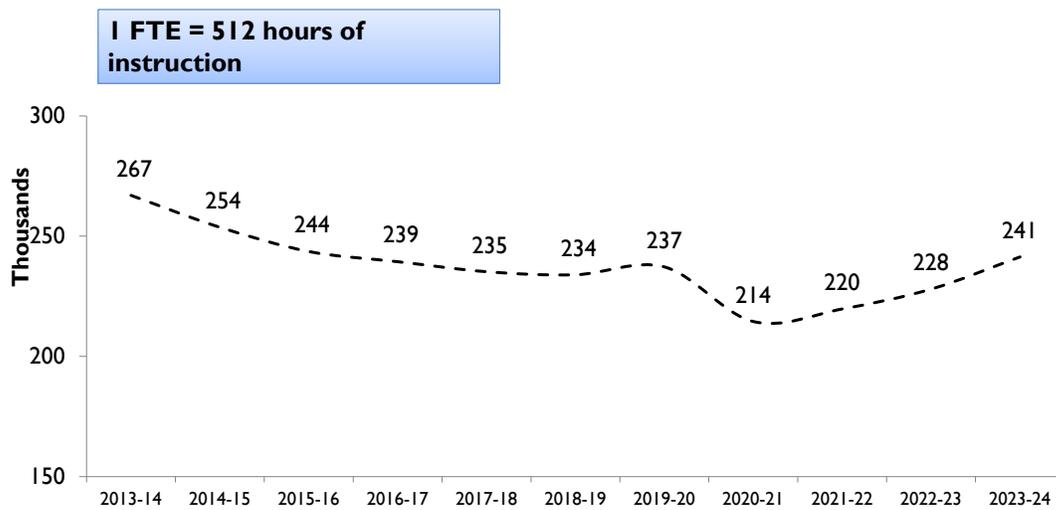
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## Total Headcount by Age Range, FY 2023-24



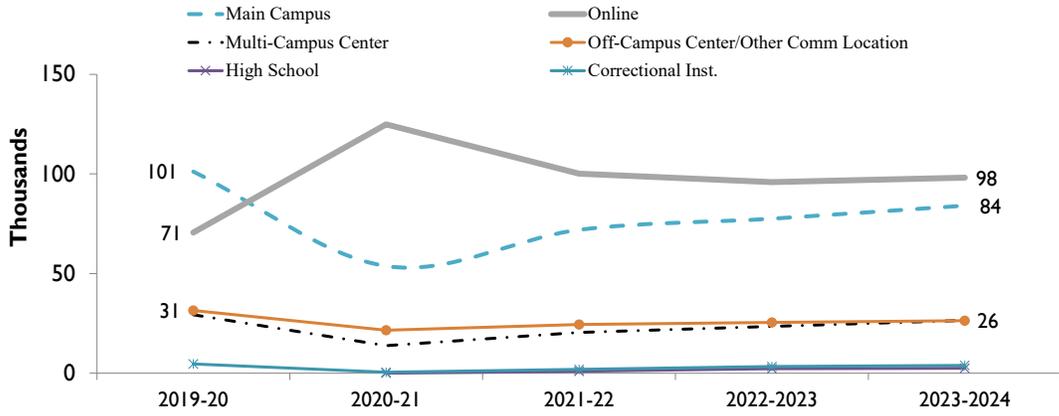
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## Full-Time Equivalent (FTE) Enrollment Trend



12

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



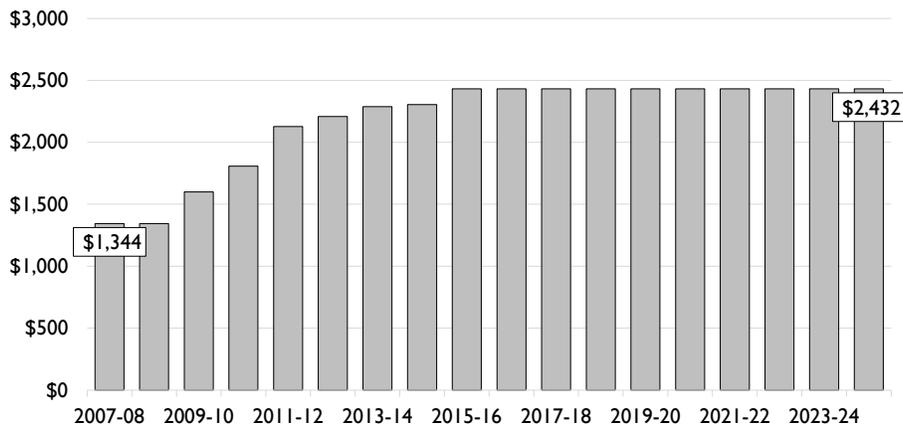
# Tuition and Waivers

## Tuition & Fees, FY 2024-2025

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

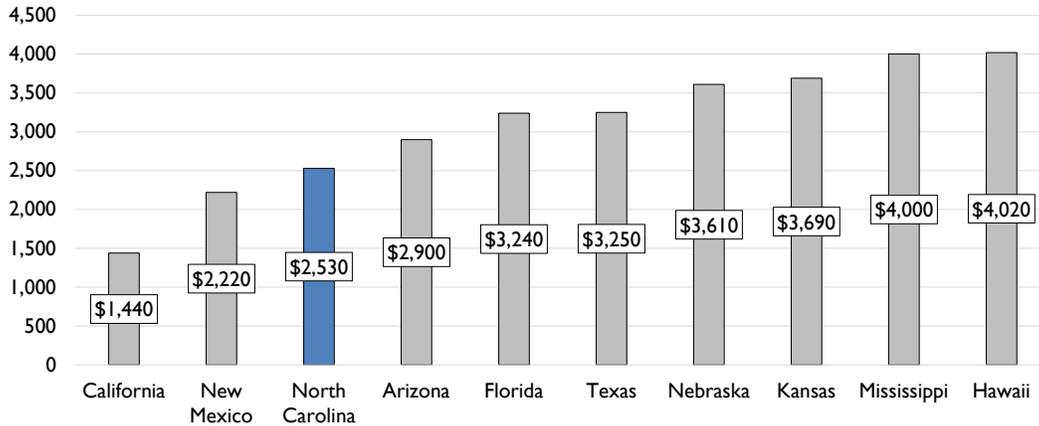
15

## 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



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.

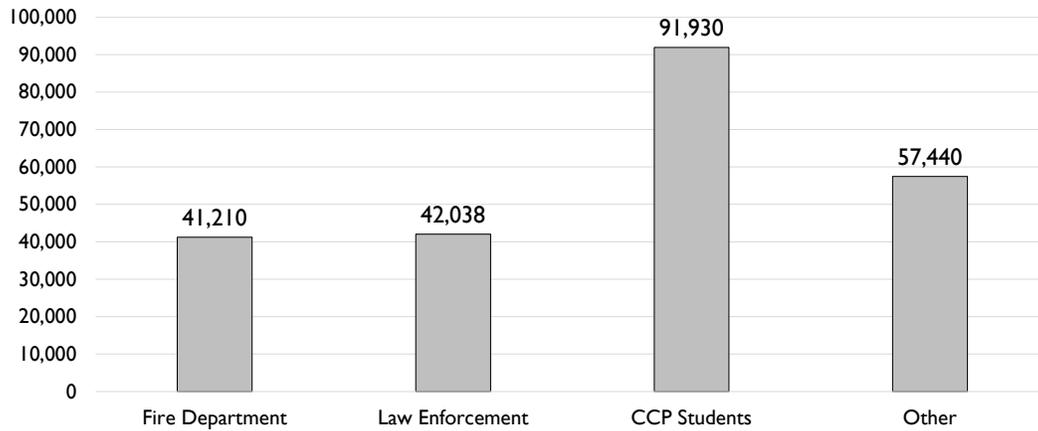
#### Largest waivers

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



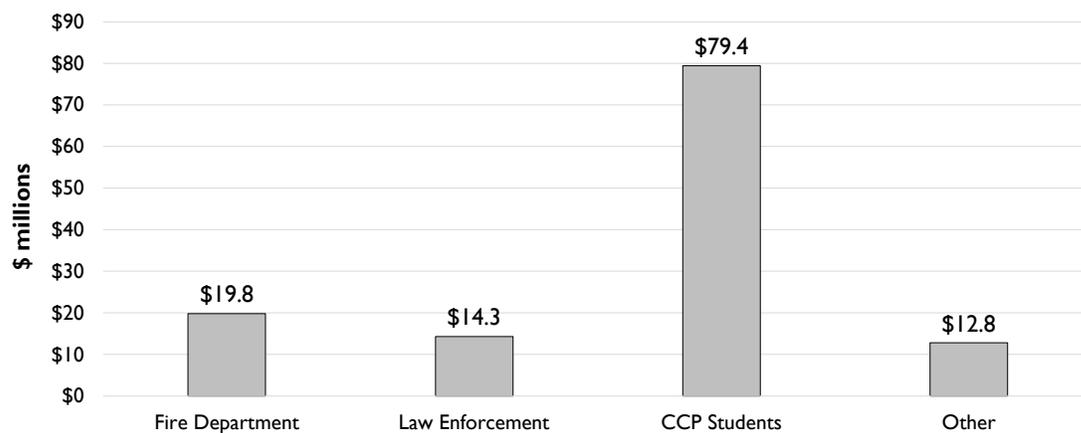
18

## Tuition and Fee Waivers by Student Count



19

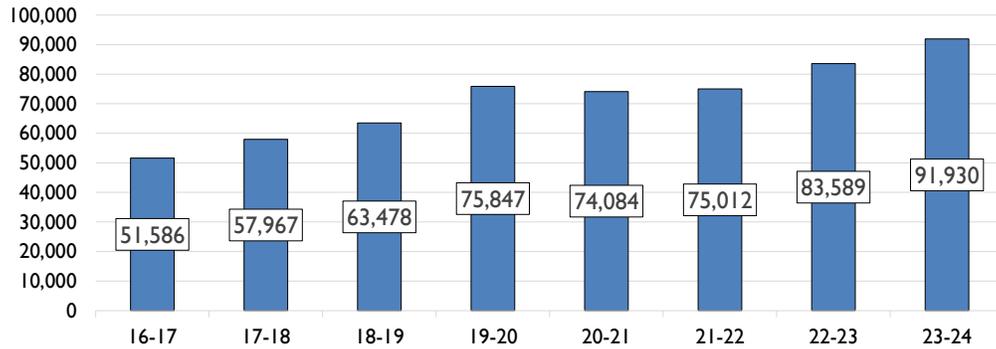
## Tuition and Fee Waivers by \$



20

## Number of NC High School Students Dually Enrolled

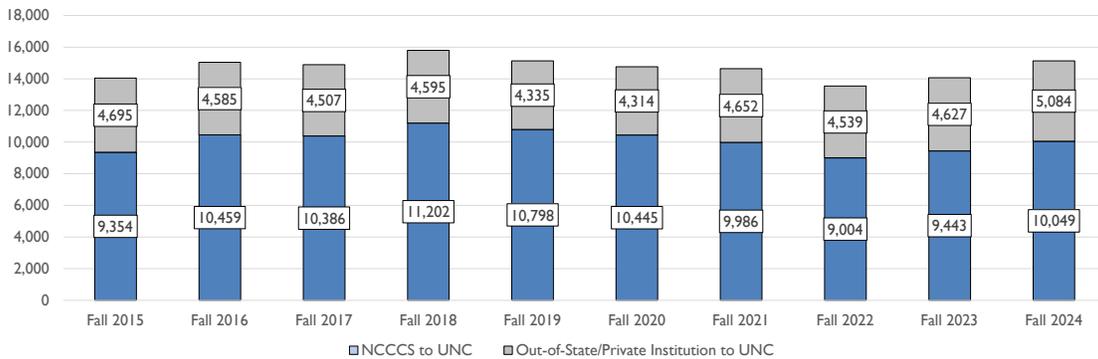
General Assembly allows high school students to take community college courses through Career and College Promise pathways at no tuition cost.



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

## 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

# State Funding



23

## State Role v. Local Role (Simplified)

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

General Administration  
Instructional Services  
Support Services

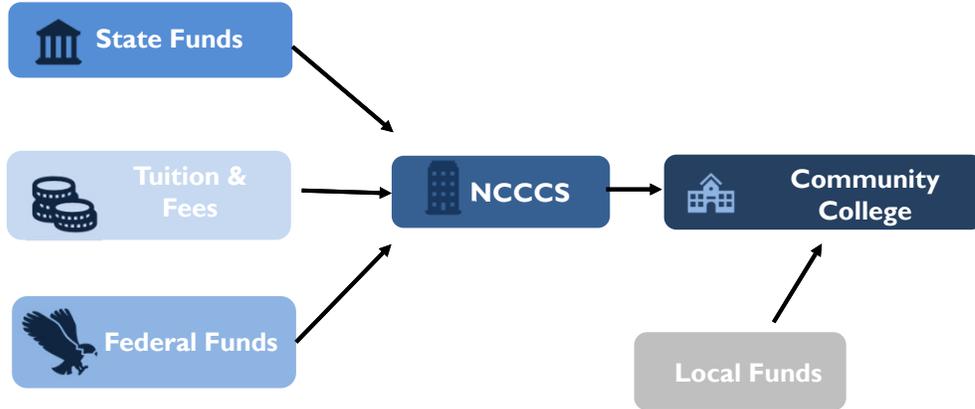
### Local Role (G.S. 115D-32)

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

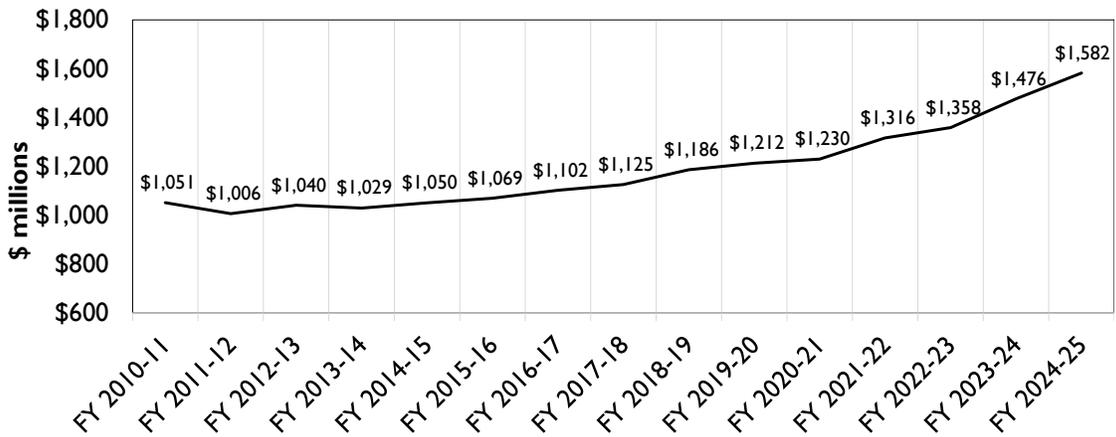
State General Fund authorized requirements equal **\$2.2 billion** in FY 2024-25, with receipts of **\$613 million** and a net appropriation of **\$1.6 billion**.

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

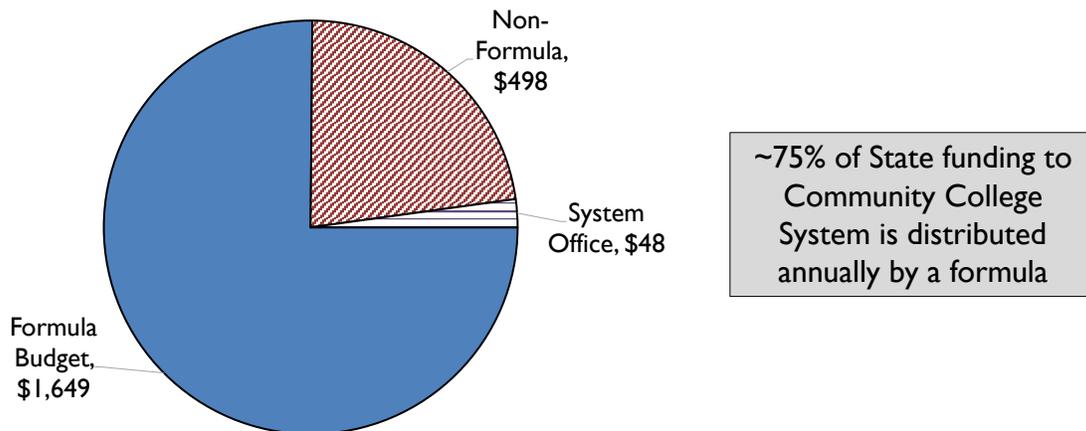
Source: Authorized Budget FY 2023-2024 (Year-end) and FY 2024-25 (March 2025)

26

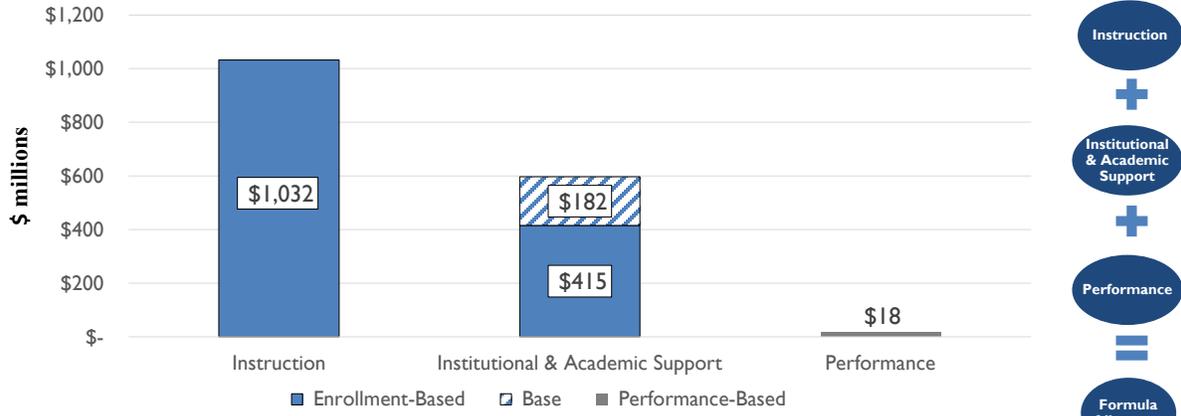
## Net Appropriation, FY 2010-11 to FY 2024-25



## General Fund Budget (\$2.2 billion)



# NCCCS Formula Budget, FY 2024-25

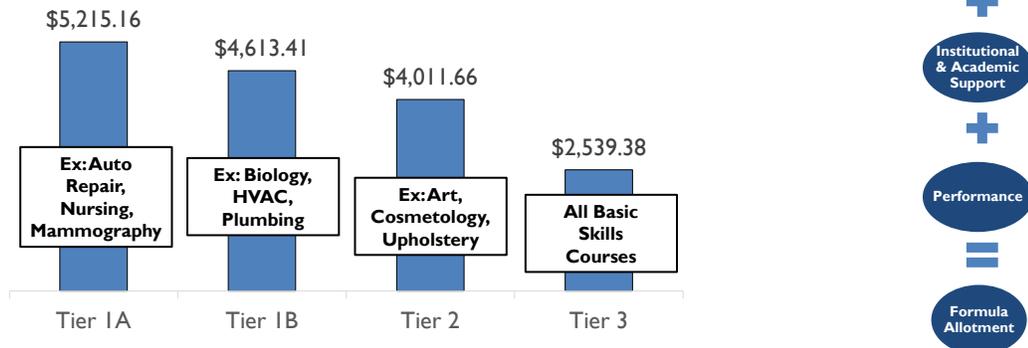


Source: Community College System Office, FY 24-25 Aid Allocations and Budget Policies

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

30

# Instruction Allocation Tier Levels

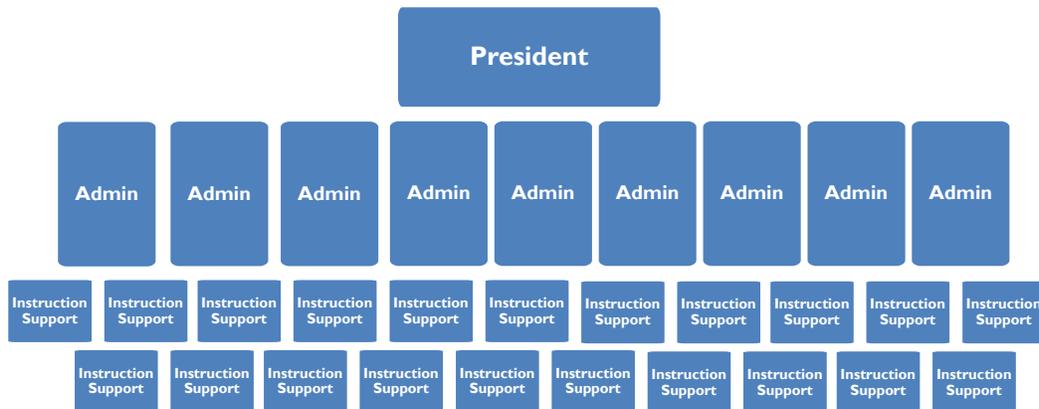
| Tier                         | Description   |
|------------------------------|---|
| <b>Tier 1A</b><br>\$5,215.16 | <b>Curriculum</b> and <b>Workforce Continuing Education</b> courses in health care and technical education aligned to <b>priority occupations with skills gaps and high wages</b> |
|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

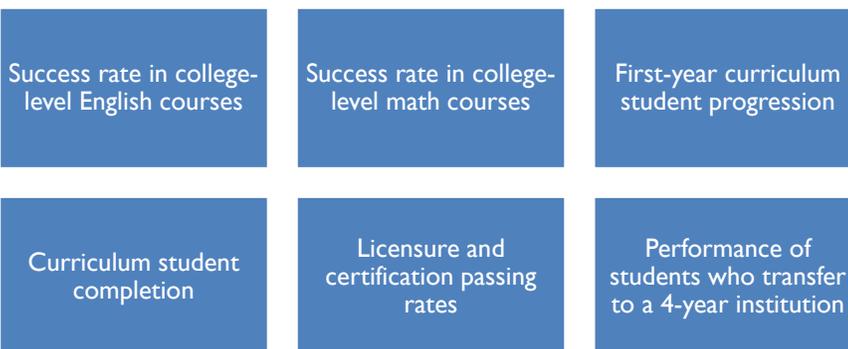


\$1,974 per FTE in excess of 750 FTE



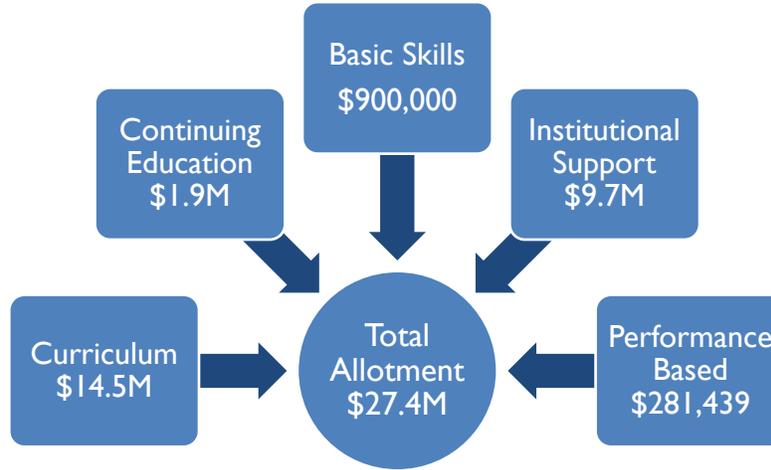
# Performance-Based Allocation

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



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

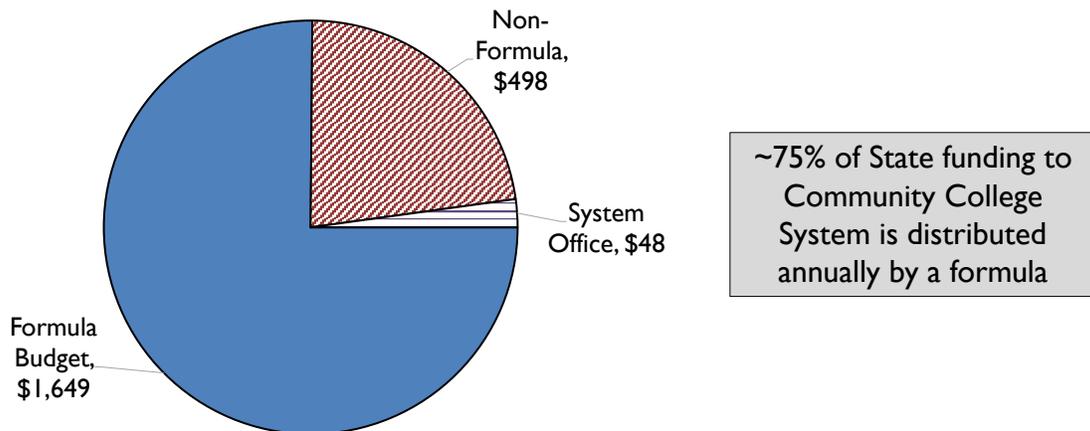
## Example: Alamance CC Formula Allotment



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



37

## 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.



38

# Funding Flexibility for State Funds

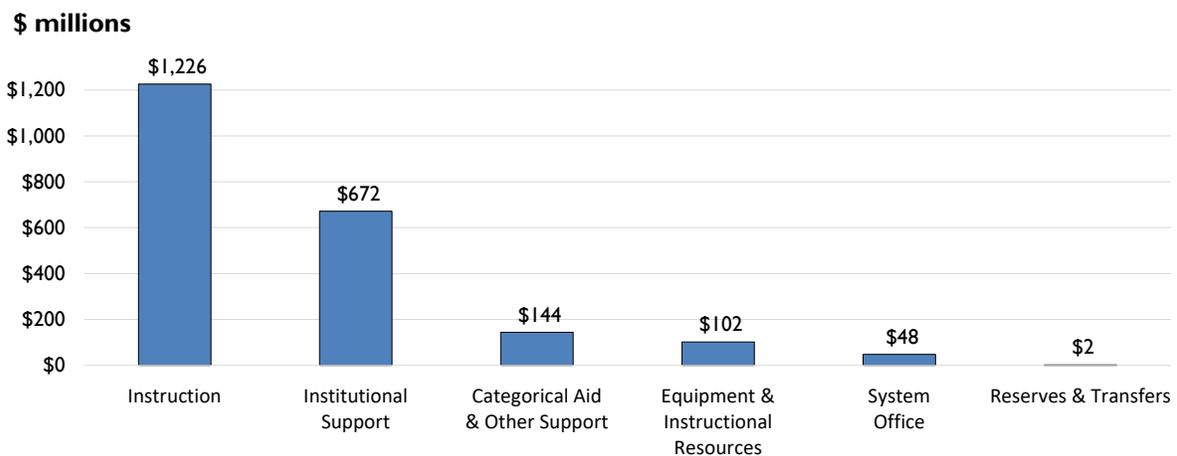
## G.S. 115D-31(b1)

- 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



39

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



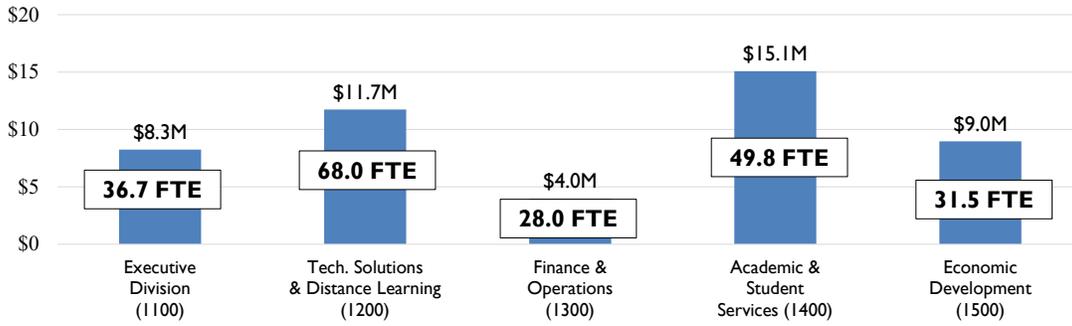
Source: NCFCS, Jan. 2025 Authorized Budget



40

# 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

41

# Workforce Development and Federal Funds

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



45

## ApprenticeshipNC (\$1 million net GF Appropriation)

- State Apprenticeship Agency – assist in the registration, compliance, and expansion of Registered Apprenticeships
- Help employers to development 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



46

# 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