



Postsecondary Completion

POLICY BRIEF 3

Improve Need-Based Supports for Students

North Carolinians with a degree or certificate beyond high school are more likely to be employed than those with only a high school education, and they typically earn two to three times as much annually.¹ Their economic success helps not only their families but also their communities and the state as a whole.

Getting high school students enrolled in programs after high school is no guarantee that they will complete those programs. According to our university and college presidents, many of our most at-risk postsecondary students are “one flat tire away” from dropping out, and fewer than one in five high school freshmen end up completing postsecondary programs or degrees.³ **Finances and advising should not be among the potholes in their road.** And yet, after significant increases over the first decade of the millennium, need-based student aid has flattened,⁴ and the availability of college advisors often falls well short of student demand.⁵

Recommended Legislative Actions 2021

To improve postsecondary completion rates, during the 2021-22 Session, the North Carolina General Assembly should:

- **Reform Public Need-Based Student Aid**
- **Strengthen Postsecondary Student Support**

myFutureNC Commitments for 2021

- Develop Additional Strategies for Improving Postsecondary Completion

Community College Graduates

earn nearly

\$8 Billion

more annually than they would have without a degree

and

account for more than

\$12 Billion

per year in higher industry profits and additional earnings of other workers.²





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Recommendations

Reform Public Need-Based Student Aid

The current complexity of our state's student aid process discourages many would-be postsecondary students from enrolling—particularly first-generation college-going students and students from lower-income families. In addition, more than 1.4 million North Carolinians currently have postsecondary credits but left programs with no degree or credential,⁶ and tens of thousands of those left even though they were in good standing with a significant number of credits already earned.⁷ Students frequently cite the costs of staying enrolled as a significant barrier to completion.⁸

Action: Consolidate and Simplify Public Need-Based Aid Grants.

The state offers three different need-based aid grants for public college and university students.⁹ Because each has its own eligibility criteria and formula for determining need, these programs can be challenging for students and families to navigate. In addition, many students now make enrollment decisions before they know their aid status because notification of grant eligibility typically arrives after a student has been accepted by a public college or university. Finally, yearly changes in the eligibility formula make it difficult for financial aid officers to recruit students.

For 2021: Guided by the [North Carolina Scholarship](#) plan that was jointly developed by the UNC System Office and the North Carolina Community College System Office,¹⁰ the state should [consolidate the three need-based grant programs that serve students at public colleges and universities](#)⁹ into a single, user-friendly program that better supports and encourages postsecondary enrollment, progress, and completion.¹¹ This consolidation is projected to be budget-neutral.

Action: Update State Grant IT System and Outreach Efforts.

The North Carolina Scholarship plan proposed above will tax NCSEAA's increasingly obsolete grants management system. In addition, NCSEAA will need to conduct a public awareness campaign to educate students, families, and schools about the new plan.

For 2021: The state should provide non-recurring funding to allow NCSEAA to [upgrade its systems and outreach](#) in support of the proposed North Carolina Scholarship plan.

Strengthen Postsecondary Student Support

The process for accessing need-based aid is one barrier to completion; equally as important is the amount of aid available—both in terms of general need-based academic aid and aid earmarked for helping secondary students weather challenges like food and housing insecurity¹² or last year's global pandemic.

Action: Expand Student Financial Supports.

Expand [targeted financial aid](#) supports across all North Carolina higher education sectors for students who are most at risk of withdrawing from school. Prioritize students in degree or credential programs that align with labor market needs.

For 2021: To begin boosting postsecondary completion rates among the most vulnerable students, prioritize the long-term expansion of available state need-based support, and provide short-term, targeted support specifically for students impacted by COVID.





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myFutureNC's Commitments for 2021

Develop Additional Strategies for Improving Postsecondary Completion

- **Work with NCCCS to Identify Ways to Provide More College Success Advisors.** More college success coaches and advisors means [better student-advisor relationship stability](#) and [smaller student to advisor ratios](#). Better-trained coaches and advisors means greater capacity to encourage student retention and on-time graduation—especially for students in traditionally underserved populations. Several community colleges already are starting to see positive results from coaches via the Carolina Works initiative.¹³
- **Convene Sector Partners to Expand Credit-Earning Opportunities.** Current under-used opportunities include granting more credit for prior workplace experience, dual enrollment/co-curricular learning, and military experience, among others.

Looking Ahead: Actions to Consider for 2022-23

For many North Carolinians, cost will continue to be the primary factor in their ability to complete a postsecondary degree or credentialing program, but life stage plays a role as well. Going forward, the state should consider additional actions such as:

- **Continuing to Expand Market-Aligned Need-Based Aid.** Following successful examples from Oklahoma, Tennessee, West Virginia, and elsewhere,¹⁴ as well as examples from our own state's recent use of temporary federal Governor's Emergency Education Relief funds,¹⁵ this expansion could include approaches such as targeting student aid for "some college but no degree" adult students who are eligible for state financial aid programs but who, as non-traditional students, sometimes are not eligible for traditional federal aid via FAFSA.¹⁶
- **Developing Strategies for Engaging More Adult Learners.** Bringing adults back into the education pipeline is vital to increasing the number of North Carolinians with education and training beyond high school. To support these efforts, state partners can bring together communities and higher education stakeholders to build on our state's current strategies for redesigning the current postsecondary landscape with adult learners in mind through innovations such as: targeted marketing campaigns; single-stop postsecondary navigation tools and other adult learner-focused support services; expansion of experience-based credit (including broader credit for prior learning and military experience, as well as consistent, cross-institution agreement about what will be accepted for credit); flexible degree pathways, accelerated degree programs, cross-institutional programs that build on current transfer agreements between 2-year and 4-year institutions, and expanded online course availability; and better alignment between credential/degree pathways and workforce needs.¹⁷

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¹ myFutureNC (2020)

² NCCCS (2015)

³ Carolina Demography (2019)

⁴ 2001-2010: Up from \$872 to \$2,446 per recipient; 2010-2019: Down from \$2,446 to \$2,417 per recipient.

⁵ CCCSE (2018)

⁶ US Census Bureau, American Community Survey (2019)

⁷ E.g., Exploratory Analysis of the UNC Partway Home Student Population (2017)

⁸ E.g., UNC System Office (2017)

⁹ UNC Need-based Grant; Education Lottery Scholarship; Community College Grant

¹⁰ NCGA & NCCCS (2019);

¹¹ Additional details are outlined in North Carolina General Assembly [Senate Bill 653](#)

¹² Goldrick-Rab, Richardson, & Hernandez (2017)

¹³ [Carolina Works](#); Valentine & Price (2020) describe early positive impacts of the initiative.

¹⁴ [Project Finish Line](#) (Oklahoma); [Tennessee Reconnect](#) (Tennessee); [HEAPS](#) (West Virginia)

¹⁵ Office of the Governor (2020)

¹⁶ [FAFSA eligibility requirements](#) include enrollment as a regular degree- or certificate-seeking student.

¹⁷ See myFutureNC Policy Brief #5 (Postsecondary and Workforce Alignment) for ways in which myFutureNC and sector partners already are working on this alignment.