

2025 SHEEO Higher Education Policy Conference

State Investments in Higher Education:

Insights from SREB's College
Affordability Profiles

SREB

Southern Regional
Education Board





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Southern Regional Education Board

SREB works with states to improve education.

We share promising practices and provide reliable data and research to inform strategy.

Analyze &
Publish



We help leaders collaborate and share resources.

Convene &
Engage



We help policy makers and state agencies navigate policy and practice.

Support
Action



SREB and College Affordability



SREB
Commission on
College
Affordability

Shared
Responsibility
for College
Affordability

College
Affordability:
Promising State
Policies and
Practices

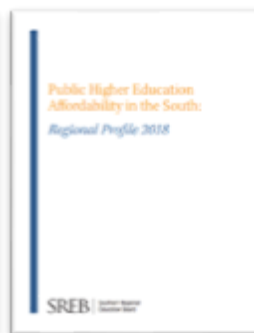
Public Higher
Education
Affordability in
the South

2020
College
Affordability
Profiles

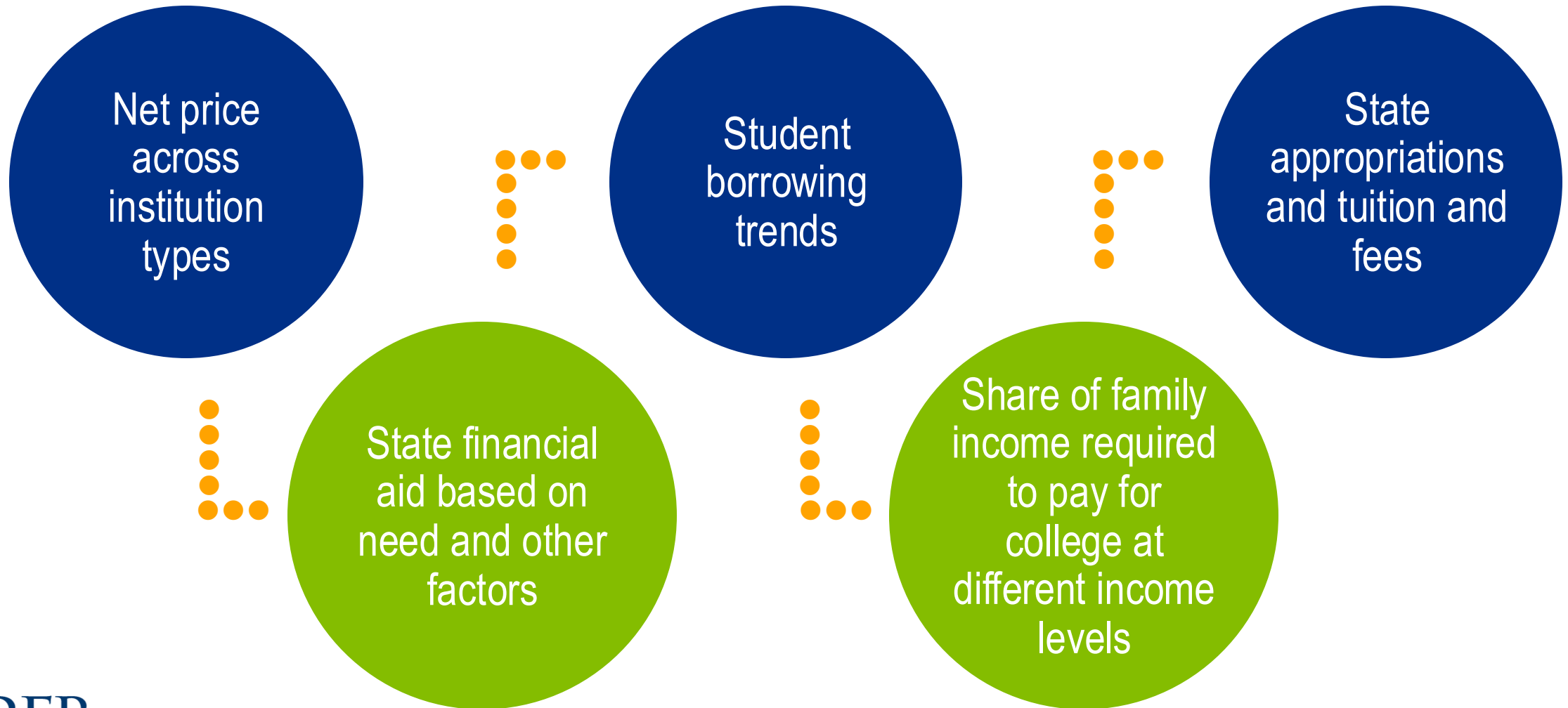
2021
College
Affordability
Profiles

Higher
Education
Return on
Investment for
Students,
Families, and
Society

2025
College
Affordability
Profiles



2025 SREB College Affordability Profiles



Data Sources

IPEDS

Integrated Postsecondary
Education Data System



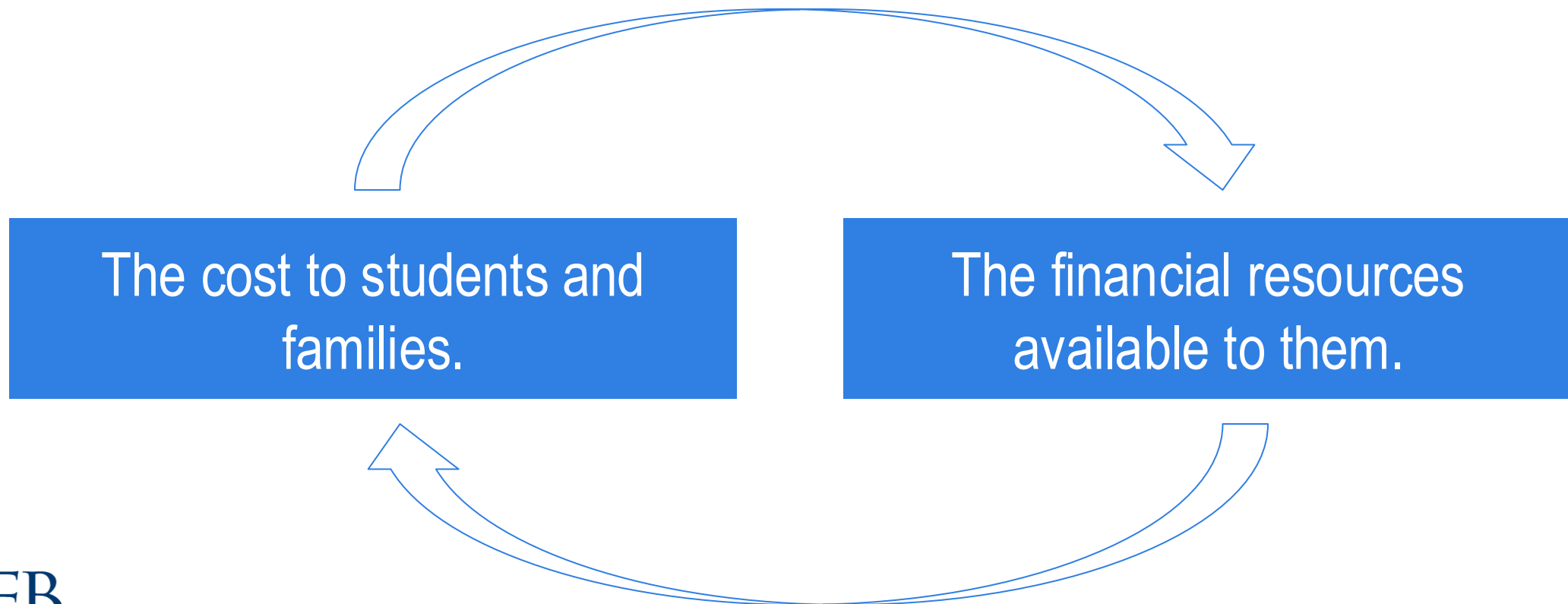
College Score Card



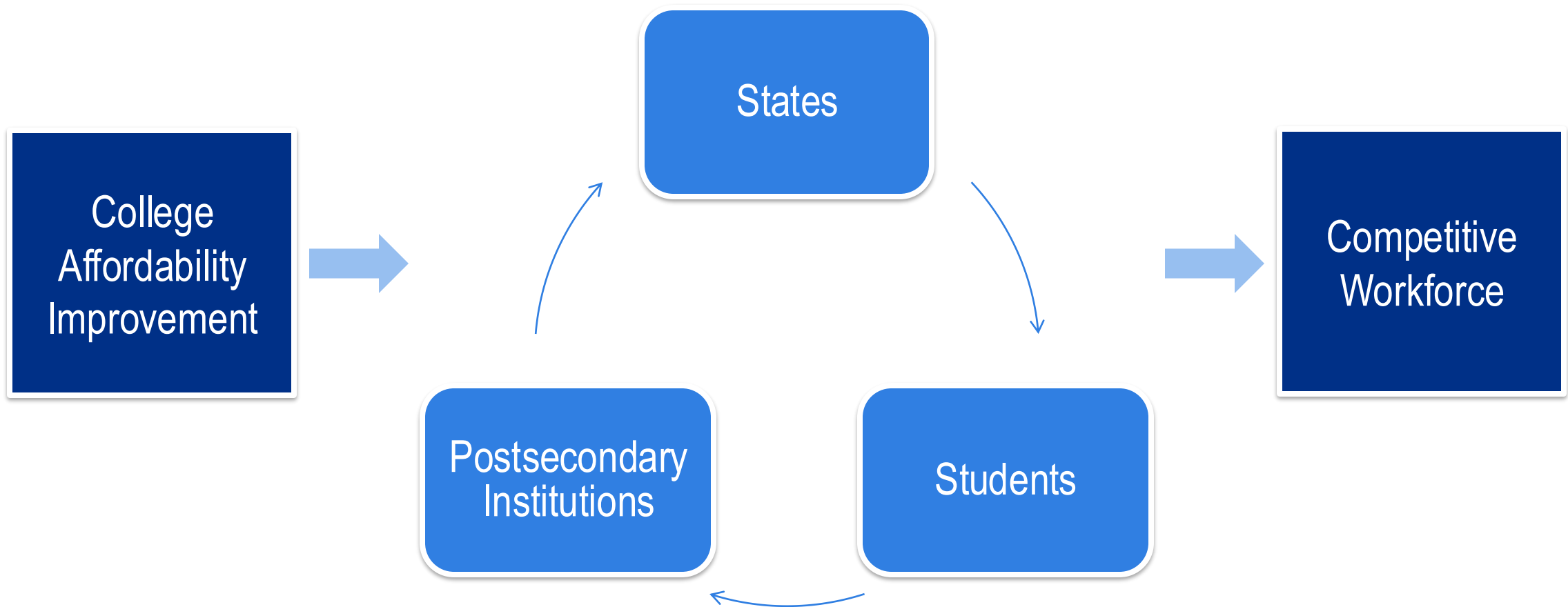
Other Key Sources

College Affordability

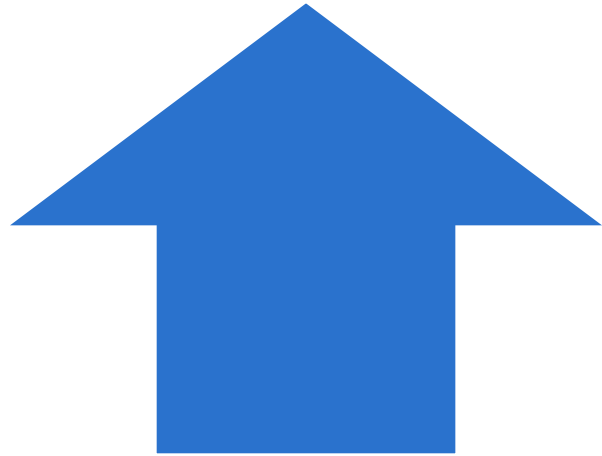
College affordability is the price required to attend higher education relative to family income.



A Win-Win-Win

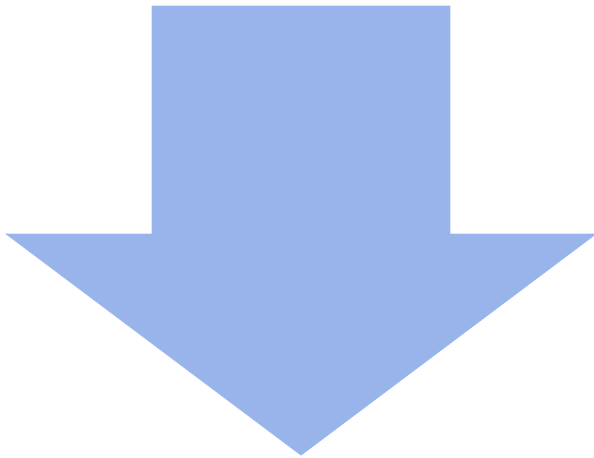


Key Regional Takeaways



Need-based aid has increased.

State appropriations for Two-year institutions have increased.



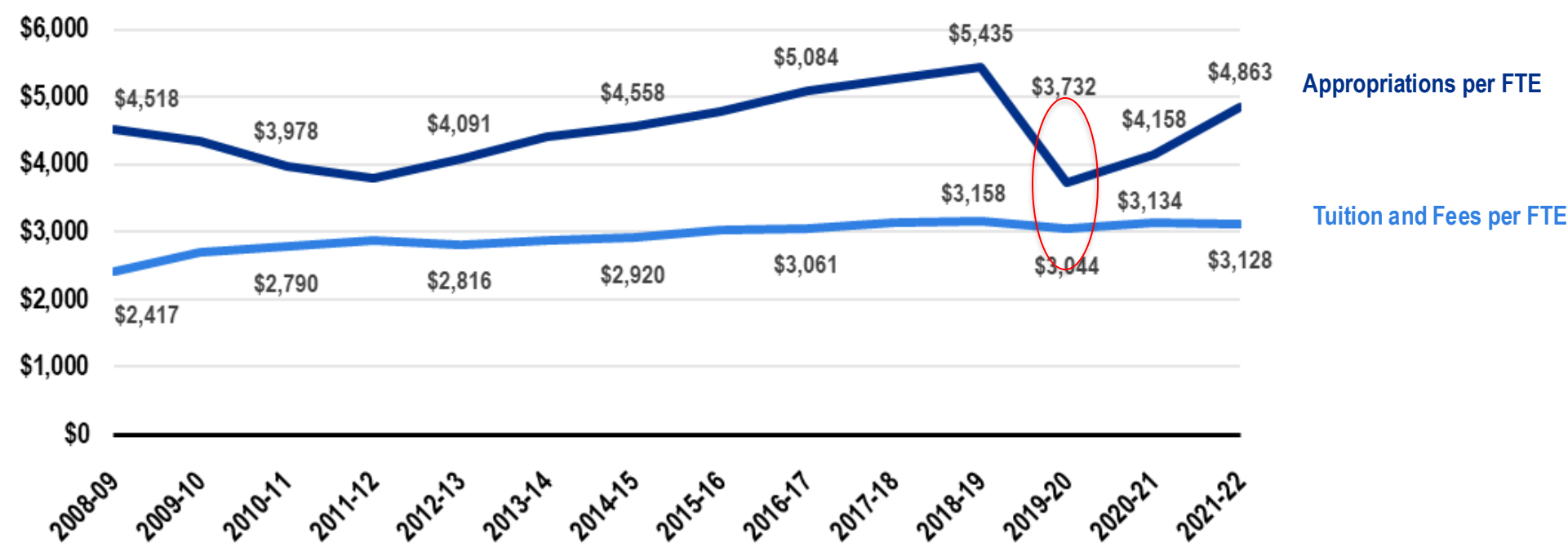
Four-year institutions continue to be less affordable.

A close-up, side-profile view of a person wearing a brown graduation cap with a yellow tassel. The person is also wearing a blue graduation gown with a yellow and orange sash. The background is a soft-focus image of a campus with trees and buildings.

2025 SREB Regional Operational Funds per FTE

State Appropriations and Tuition and Fees

Public Two-Year Institutions



Source: SREB-State Data Exchange

Alabama

- Alabama faces affordability hurdles at its public four-year institutions, while the two-year institutions appear to be more accessible for students with stronger state support.

Alabama

College Affordability Profile

The Southern Regional Education Board convened a Commission on College Affordability in the South and published a report in 2016 emphasizing that affordability is a critical factor in both access to and completion of postsecondary education. In this year's SREB College Affordability Profiles, SREB examined data for the 2021-22 academic year, the most recent year that student financial aid and net price data are available. The data shows both positive and challenging aspects of college affordability in Alabama. While the state faces affordability hurdles at its public four-year institutions, the two-year institutions appear to be more accessible for students with stronger state support.

Family Income Needed for Net Price at Public Institutions

Alabama shows improvements across all institution types from 2017-18 to 2021-22, with the most improvements in four-year Type 1 and Type 2 institutions.

In 2021-22, families in Alabama needed, on average, 41% of their income to cover educational expenses for a full-time student at four-year Type 1 institutions and 31% at four-year Type 2 institutions. For two-year institutions, the average was 14% of family income.

The 27-percentage point gap between four-year Type 1 and two-year institutions indicates variations in affordability across institution types.

While two-year institutions align with SREB averages, four-year institutions require significantly higher percentages of family income than SREB averages.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022, American Community Survey, Public Use Microdata Samples 2018 and 2022. Institutions sorted based on South State Data Exchange categories.

Key terms:

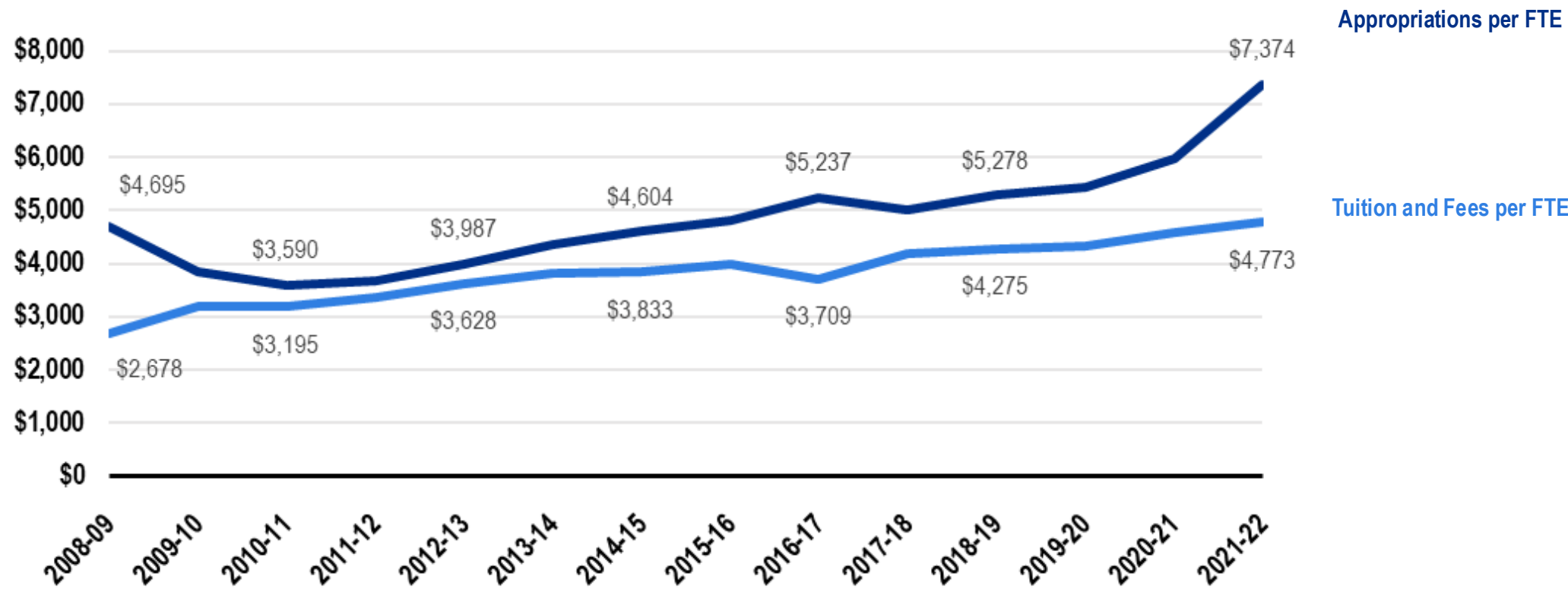
Four-Year Institution Type 1: Four-year institutions that awarded at least 30 doctoral degrees in five different areas.

Four-Year Institution Type 2: All other four-year institutions.

Net Price: Total cost of attendance (includes tuition, fees, room and board, and money) minus federal, state and local government, or institutional grant and scholarship aid.

State Appropriations and Tuition and Fees

Public Two-Year Institutions



Source: SREB-State Data Exchange

Q&A



Alabama has made notable investments in its two-year institutions recently. What's been driving this increase in state appropriations and how do you see it impacting access and affordability for students across Alabama?



If you could change one perception about college affordability in Alabama, what would it be and why?

North Carolina

- In 2021-22, the percentage of family income required to pay for full-time students at all public institutions in North Carolina was lower than 2017-18 as well as the SREB averages.
- North Carolina shows minimal increases all institution types for low-income families making less than \$30,000.

North Carolina

College Affordability Profile

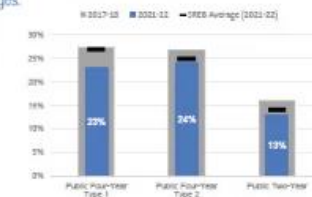
Southern Regional Education Board convened a Commission on College Affordability in the South and published a report in 2016 emphasizing that affordability is a critical factor in both access to and completion of postsecondary education. In this year's SREB College Affordability Profiles, SREB examined data for the 2021-22 academic year, the most recent year that student financial aid and net price data are available. North Carolina demonstrates a relatively strong commitment to college affordability through sustained state support and lower tuition levels. While challenges remain, particularly in income inequality and aid distribution, the state maintains better affordability metrics than many SREB states.

Family Income Needed for Net Price at Public Institutions

In 2021-22, the percentage of family income required to pay for full-time students at public four-year Type 1, four-year Type 2 and two-year institutions in North Carolina was lower than 2017-18 as well as the SREB averages.

In 2021-22, families in North Carolina needed, on average, 23% of their income to cover educational expenses for a full-time student at four-year Type 1 institutions and 24% at four-year Type 2 institutions. For two-year institutions, the average was 13% of family income.

The relatively small 10-percentage point gap between four-year Type 1 institutions and two-year institutions suggests more consistent affordability across institution types compared to other SREB states.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2016 and 2022, 12-Month Enrollment Institutions Activity Files 2016 and 2022, American Community Survey Public Use Microdata Samples 2018 and 2022. Institutional sectors based on SREB state data exchange categories.

Key terms:

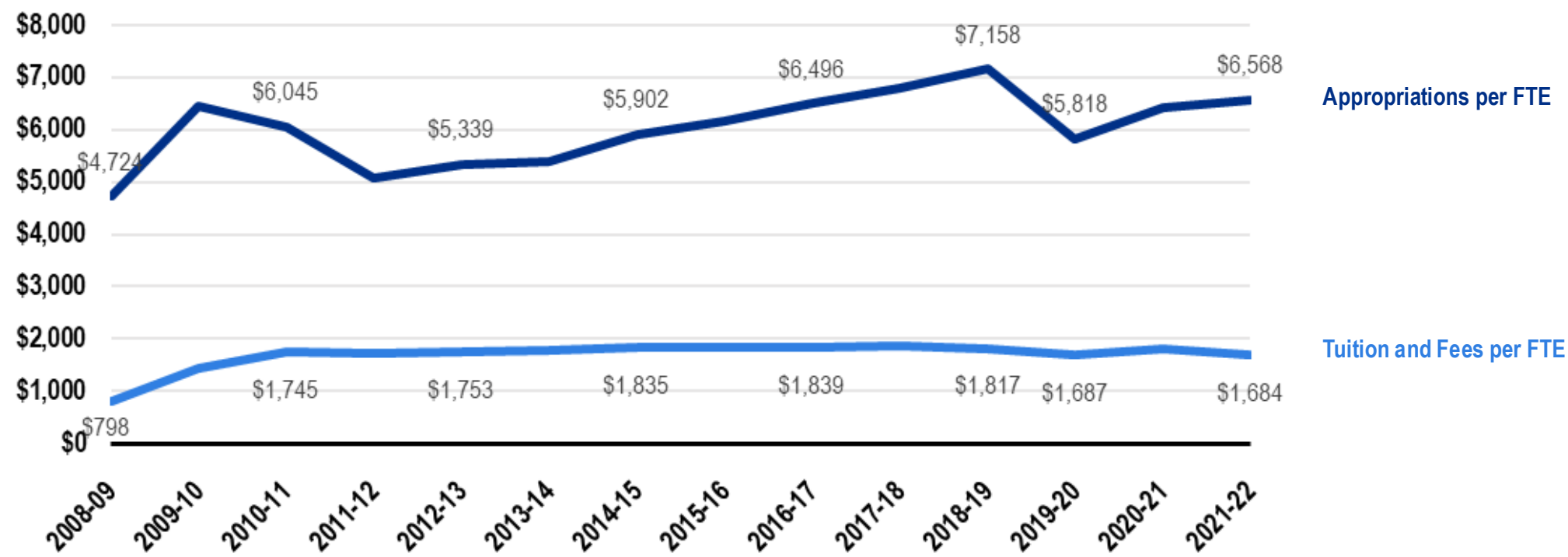
Four-Year Institution Type 1: Four-year institutions that awarded at least 30 doctoral degrees in five different areas.

Four-Year Institution Type 2: All other four-year institutions.

Net Price: Total cost of attendance (includes tuition, fees, room and board, and more) minus federal, state and local government, or institutional grant and scholarship aid.

State Appropriations and Tuition and Fees

Public Two-Year Institutions



Source: SREB-State Data Exchange

Q&A

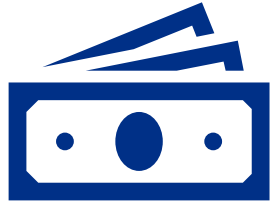


North Carolina has managed to keep tuition at its 2-year colleges remarkably stable while also increasing access to workforce-aligned programs. Can you talk about some of the key state-level strategies — like Propel NC, expanded dual enrollment, or short-term credential funding — that have contributed to this approach to affordability?



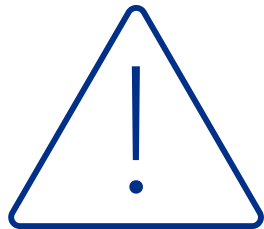
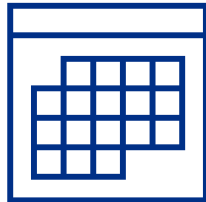
With the upcoming expansion of federal Workforce Pell in 2026, how is your state or organization preparing to take advantage of this opportunity to make short-term, non-degree programs more affordable and accessible?

Accreditation and College Affordability



Accreditation enables access to federal and state aid.

SACSCOC standards include financial stability and planning.



Underfunded institutions risk accreditation sanctions.



Accreditation supports quality and fair student outcomes.

Accreditors are accountability partners in public investment.



Q&A

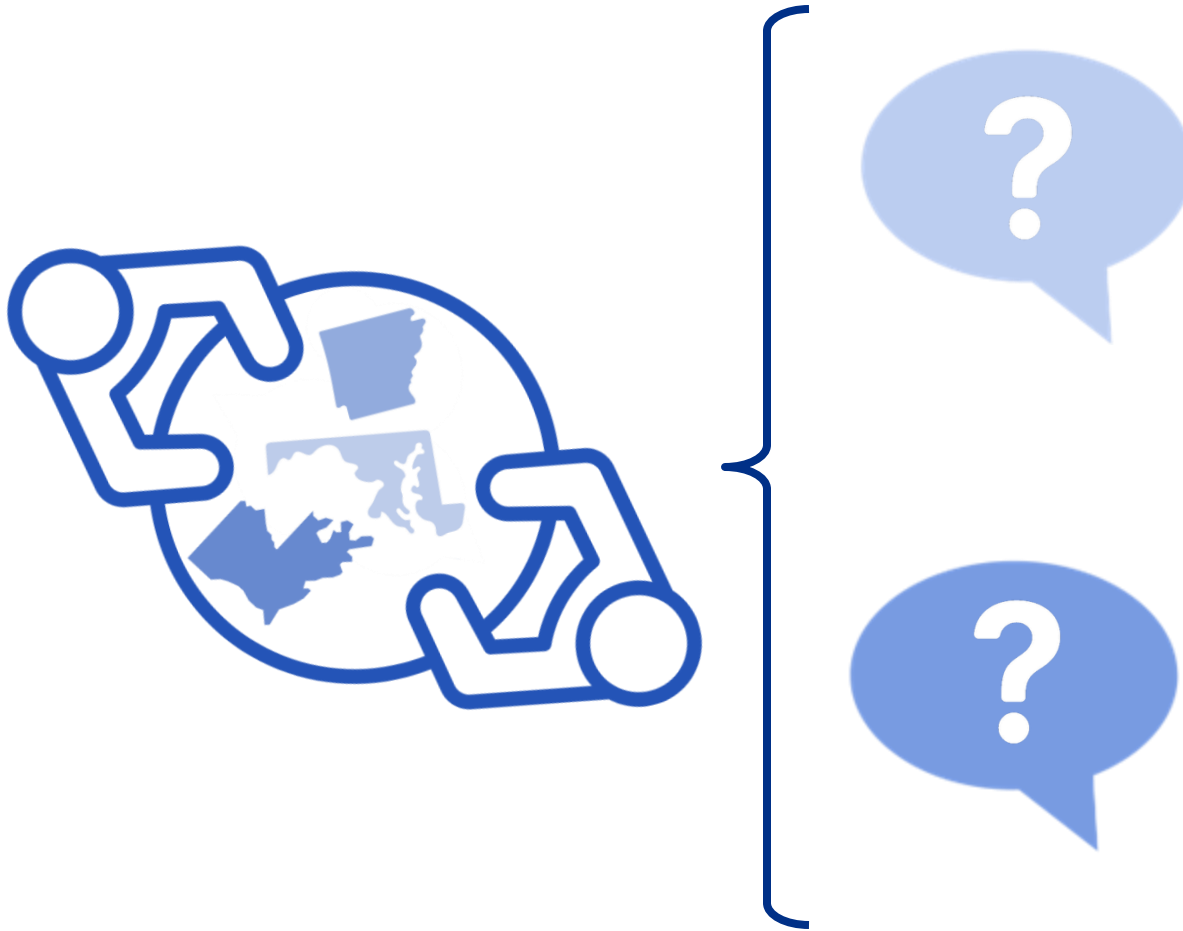


SACSCOC standards include expectations around financial planning and sustainability. How do these standards help ensure institutions remain affordable and viable for students over time?



Given that state and federal funds are major contributors to institutional budgets, how does SACSCOC help ensure that these public investments translate into quality, affordable outcomes for students?

Moderated Discussion

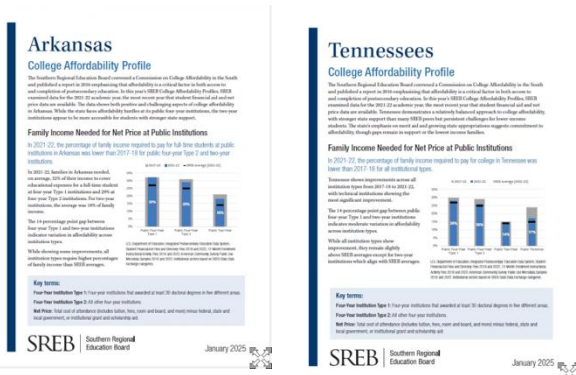


As students increasingly evaluate cost alongside return on investment, how are your agencies/institutions thinking about affordability in relation to student outcomes?

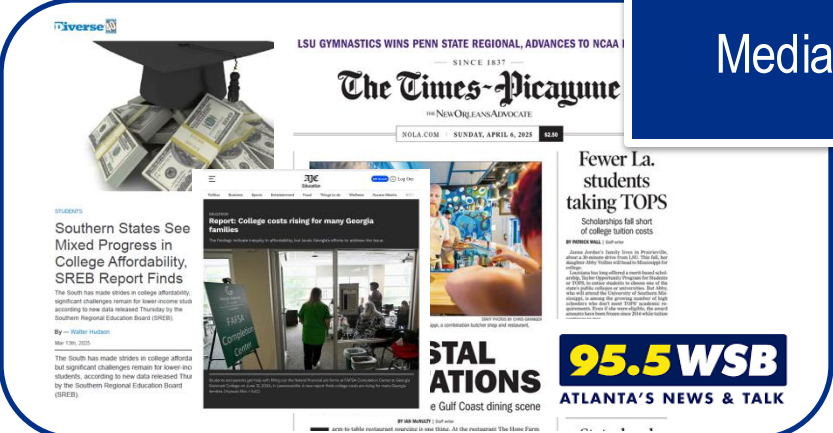
Looking ahead 5 years, what's one policy or initiative you believe will be key to maintaining or improving affordability in your state or region?

Related Resources

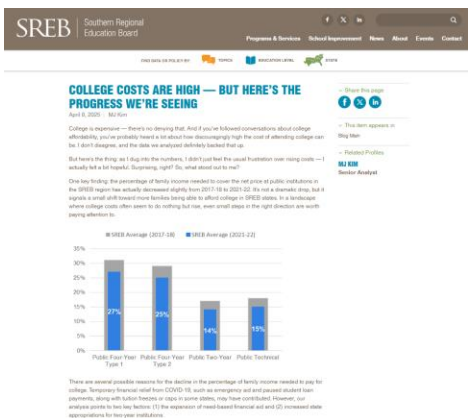
16 State College Affordability Profiles



Media Coverages



Blog Post



Key Findings Videos for 16 States



College Affordability

SREB.org/Affordability

SREB | Southern Regional
Education Board

