

**MEASURING UP**

**2006**

**THE STATE REPORT CARD  
ON HIGHER EDUCATION**

**NORTH CAROLINA**



**THE NATIONAL CENTER FOR  
PUBLIC POLICY AND  
HIGHER EDUCATION**

# WHAT IS MEASURING UP?

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The purpose of this state report card is to provide the general public and policymakers with information they can use to assess and improve postsecondary education in each state. *Measuring Up 2006* is the fourth in a series of biennial report cards.

*Measuring Up 2006* evaluates states on their performance in higher education because it is the states that are primarily responsible for educational access and quality in the United States. In this report card, “higher education” refers to all education and training beyond high school, including all public and private, two- and four-year, for-profit and nonprofit institutions.

The report card grades states in six overall performance categories:

- **Preparation:** How adequately does the state prepare students for education and training beyond high school?
- **Participation:** Do state residents have sufficient opportunities to enroll in education and training beyond high school?
- **Affordability:** How affordable is higher education for students and their families?
- **Completion:** Do students make progress toward and complete their certificates or degrees in a timely manner?
- **Benefits:** What benefits does the state receive from having a highly educated population?
- **Learning:** What is known about student learning as a result of education and training beyond high school?

Each state receives a letter grade in each performance category. Each grade is based on the state’s performance on several indicators, or quantitative measures, in that category.

*Measuring Up 2006* is the first edition that includes data in the Learning category for all 50 states on the extent to which colleges and universities prepare students to contribute to the workforce.

As in *Measuring Up 2004*, most states in 2006 receive an “Incomplete” in Learning due to the lack of reported information.

This year, however, nine states (Illinois, Kentucky, Maryland, Massachusetts, Missouri, Nevada, New York, Oklahoma, and South Carolina) receive a “Plus.” For more information on these states and the Learning category, see page 12 of this state report card.

In four of the performance categories—Preparation, Participation, Completion, and Benefits—grades are calculated by comparing each state’s current performance to that of the best-performing states. This comparison provides a basis for evaluating each state’s performance within a national context and encourages each state to “measure up” to the highest-performing states.

In the Affordability category, however, the United States as a whole is “measuring down.” That is, even in the best-performing states, higher education has become *less* rather than *more* affordable when the costs of attending college are considered relative to family income. As a result, state grades in the Affordability category are calculated by comparing each state’s current performance with the performance of the best states in the early 1990s. This comparison allows policymakers to examine their state’s results relative to other states, while also encouraging improved performance over time. The Affordability category is the only one in which no state receives an A—the highest grade is a C–.

*Measuring Up 2006* also compares each state’s current performance with its own performance in the early 1990s. Although this historical comparison is not graded, it is offered so that states can examine their trends in performance—both improvements and declines—over time. All data are drawn from reliable national sources. (For more information, please see the *Technical Guide for Measuring Up 2006* at [www.highereducation.org](http://www.highereducation.org).)

*Measuring Up 2006* is the first edition that offers international comparisons that provide essential information on how well the United States and each of the 50 states are preparing residents with the knowledge and skills necessary to compete effectively in a global economy. Every state is compared with nations associated with the Organisation for Economic Co-operation and Development (OECD).

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## A Snapshot of Change Over Time

Academic preparation for college has continued to improve since the early 1990s, which is approximately when the most reliable data became available for meaningful comparisons. High school graduates are, in general, better prepared for college today than their peers were about a decade ago, as indicated by a greater proportion of high school students enrolled in a college-preparatory curriculum and scoring higher on national assessment examinations. Most states, however, and the United States as a whole, continue to show little progress in translating these gains into improvements at the college level.

**Preparation:** 45 states improved on more than half of the indicators; 5 improved on some of the indicators.

**Participation:** 8 states improved on more than half of the indicators; 28 improved on some of the indicators; 14 declined on most or all of the indicators.

**Affordability:** 1 state improved on more than half of the indicators; 32 improved on some of the indicators; 17 declined on most or all of the indicators.

**Completion:** 35 states improved on more than half of the indicators; 13 improved on some of the indicators; 2 declined on most or all of the indicators.

**Benefits:** 40 states improved on more than half of the indicators; 8 improved on some of the indicators; 2 declined on most or all of the indicators.

Since the early 1990s, North Carolina has consistently improved its performance in preparing students for and enrolling them in higher education. However, compared with leading states, relatively few 9th graders graduate from high school in four years. North Carolina has seen a double-digit drop in this rate over the past decade, and this rate is now among the lowest in the country. Moreover, the affordability of higher education in the state continues to fall. If these trends are not addressed, they could undermine North Carolina's access to an educated, competitive workforce and weaken its economy over time.

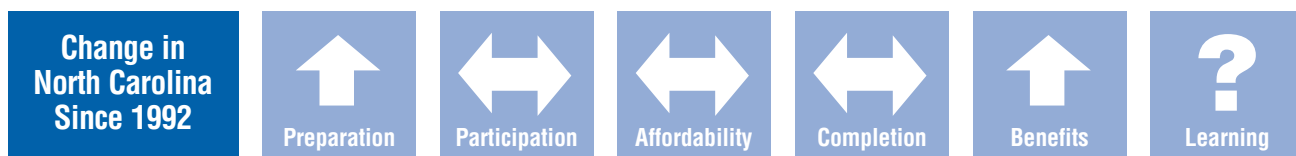
## Strengths

### Preparation

- North Carolina is a top-performing state in the percentage of high school students taking upper-level math courses, and this percentage has increased substantially over the past 12 years—one of the steepest increases in the nation.
- Over the past several years, the percentages of 8th graders performing well on national assessments in math and writing have also increased substantially.
- Very large proportions of 11th and 12th graders take and score well on Advanced Placement tests; the state has improved substantially on this measure, outpacing the national increase.
- North Carolina is a top-performing state in the percentage (81%) of secondary school students taught by teachers with an undergraduate or graduate major in the subject they are teaching.

### Participation

- The chance of a 9th grader enrolling in college within four years has increased over the past decade, in contrast to a nationwide decline on this measure. Although a smaller percentage of students are graduating from high school compared with a decade ago, more of those who do graduate enroll in college.



### What do the arrows mean?

- ↑ The state has improved on more than half of the indicators in the category.
- ↔ The state has improved on some, but no more than half, of the indicators in the category.
- ↓ The state has declined on most or all indicators.

## Completion

- Compared with other states, North Carolina has consistently had a very high percentage of freshmen return for their sophomore year at four-year public institutions.
- In addition, a large proportion of students complete certificates and degrees relative to the number enrolled.

## Weaknesses

### Preparation

- The state's 8th graders perform very poorly on national assessments in science. In addition, the percentage of 8th graders performing well on national assessments in reading has declined substantially over the past seven years.

### Participation

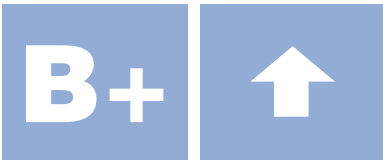
- Among 18- to 24-year-olds, the gap in college participation between whites and non-whites has widened.
- About 19% of adults do not have a high school diploma or its equivalent (compared with 14% of adults nationwide), reducing their likelihood of participating or succeeding in higher education.

## Affordability

- Net college costs for low- and middle-income students to attend public two- and four-year colleges and universities, which enroll 84% of college students in the state, represent about one-third of their annual family income. (Net college costs equal tuition, room, and board after financial aid.)
- The state's investment in need-based financial aid is very low compared with top-performing states, even though North Carolina has increased this investment since 1992.

2006  
Grade

Change  
Over Time



North Carolina has made notable progress in preparing students to succeed in college. This year North Carolina earns a B+ in preparation.

## Graded Information

Compared with other states:

■ North Carolina is among the poorest-performing states in the percentage of young adults earning a high school diploma or General Education Development (GED) diploma by age 24.

■ North Carolina is a top performer in the proportion of high school students enrolled in upper-level math (72%), but only a small proportion (25%) of high school students are enrolled in upper-level science.

■ A fairly large proportion (28%) of 8th graders take algebra.

■ Eighth graders perform very poorly on national assessments in science, indicating they are not well prepared to succeed in challenging high school courses. They perform fairly poorly on national assessments in reading, but they perform well on national assessments in math and writing.

■ Low-income 8th graders earn fairly low scores on national assessments in math.

■ Fairly small proportions of 11th and 12th graders score well on college entrance exams, but very large proportions score well on Advanced Placement tests.

■ Eighty-one percent of secondary school students are taught by qualified teachers, and North Carolina is a top performer on this measure.

PREPARATION	North Carolina		Top States 2006
	1992*	2006	
<b>High School Completion (20%)</b>			
18- to 24-year-olds with a high school credential	83%	85% <sup>†</sup>	94%
<b>K-12 Course Taking (35%)</b>			
9th to 12th graders taking at least one upper-level math course	40%	72%	64%
9th to 12th graders taking at least one upper-level science course	22%	25%	40%
8th grade students taking algebra	18%	28%	35%
12th graders taking at least one upper-level math course	n/a	91%	66%
<b>K-12 Student Achievement (35%)</b>			
8th graders scoring at or above "proficient" on the national assessment exam:			
in math	12%	32%	38%
in reading	31%	27%	38%
in science	24%	22%	41%
in writing	27%	34%	41%
Low-income 8th graders scoring at or above "proficient" on the national assessment exam in math	6%	15%	22%
Number of scores in the top 20% nationally on SAT/ACT college entrance exam per 1,000 high school graduates	75	161	237
Number of scores that are 3 or higher on an Advanced Placement subject test per 1,000 high school juniors and seniors	68	201	217
<b>Teacher Quality (10%)</b>			
7th to 12th graders taught by teachers with a major in their subject	61%	81%	81%

\*The indicators report data beginning in 1992 or the closest year for which reliable data are available. See the *Technical Guide for Measuring Up 2006*.

<sup>†</sup>Seventy-eight percent of 18-24-year-olds have a regular high school diploma; 6% have a GED. The numbers shown for a regular high school diploma and a GED may not exactly equal the number for a high school credential due to rounding.

**Change in Graded Measures**

■ Over the past 12 years, the proportion of high school students enrolled in upper-level math has increased by 81%, placing North Carolina among the fastest-improving states on this measure.

■ During the past 13 years, the percentage of 8th graders performing well on national assessments in math has more than doubled.

■ The percentage of 8th graders performing well on national assessments in reading has declined substantially over the past seven years.

■ The percentage of 8th graders performing well on national assessments in writing has increased.

■ The percentage of low-income 8th graders performing well on national assessments in math has more than doubled over the past nine years, although North Carolina's current performance on this measure is fairly low compared with other states.

■ The proportions of 11th and 12th graders taking and scoring well on college entrance exams have increased substantially over the past 12 years, although the state's current performance is fairly poor relative to other states. During the same period, the proportions of 11th and 12th graders taking and scoring well on Advanced Placement tests have nearly tripled.

■ The percentage of secondary school students taught by qualified teachers has increased substantially.

**Other Key Facts**

■ Blacks in the 9th to 12th grades are only three-quarters as likely as whites to enroll in upper-level science.

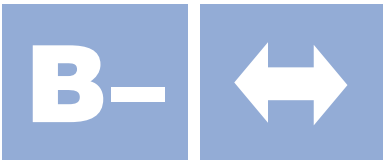
■ Among young adults, 6% receive a General Education Development (GED) diploma rather than a high school diploma, one of the highest percentages in the nation.

■ About 22% of children under age 18 live in poverty, compared with a national rate of 18%.

The preparation category measures how well a state's K–12 schools prepare students for education and training beyond high school. The opportunities that residents have to enroll in and benefit from higher education depend heavily on the performance of their state's K–12 educational system.

2006  
Grade

Change  
Over Time



*North Carolina has made no notable progress in enrolling students in higher education. This year North Carolina receives a B- in participation.*

## Graded Information

Compared with other states:

- The chance of North Carolina high school students enrolling in college by age 19 is only fair, primarily because the proportion of students who graduate from high school within four years is small. This proportion is among the lowest in the country.

- Only a fair percentage of working-age adults (ages 25 to 49) are enrolled part-time in college-level education or training.

## Change in Graded Measures

Over the past decade:

- The chance of enrolling in college by age 19 has increased by 13%, in contrast to a nationwide decline of 2%. Although a smaller percentage of students graduate from high school within four years, more of those who graduate enroll in college.

- The percentage of working-age adults who are enrolled part-time in college-level education or training has not changed, compared with a nationwide decline of 12%.

PARTICIPATION	North Carolina		Top States 2006
	1992*	2006	
<b>Young Adults (60%)</b>			
Chance for college by age 19	34%	39%	53%
18- to 24-year-olds enrolled in college	31%	30%	41%
<b>Working-Age Adults (40%)</b>			
25- to 49-year-olds enrolled part-time in any type of postsecondary education	3.7%	3.7%	5.1%

\*The indicators report data beginning in 1992 or the closest year for which reliable data are available. See the *Technical Guide for Measuring Up 2006*.

## Other Key Facts

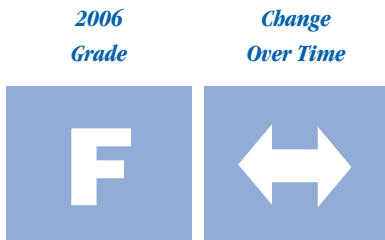
- Among the young adult population (ages 18 to 24), the gap in college participation between whites and other ethnic groups has widened. Currently, 34 out of 100 white young adults are enrolled in college, compared to 26 out of 100 young adults from other ethnic groups.

- The state's population is projected to grow by 23% from 2005 to 2020, above the national rate of 14%. During approximately the same period, the number of high school graduates is projected to increase by 30%.

- About 19% of the adult population has less than a high school diploma or its equivalent, compared with 14% of adults nationwide.

- In North Carolina, 9,610 more students are entering the state than are leaving to attend college. About 9% of North Carolina high school graduates who go to college attend college out of state.

The participation category addresses the opportunities for state residents to enroll in higher education. A strong grade in participation generally indicates that state residents have high individual expectations for education and that the state provides enough spaces and types of educational programs for its residents.



*North Carolina has made no notable progress in providing affordable higher education. North Carolina receives an F in affordability this year.*

## Graded Information

■ Compared with best-performing states, families in North Carolina devote a large share of family income, even after financial aid, to attend public two- and four-year colleges and universities, which enroll 84% of college students in the state.

■ The state's investment in need-based financial aid is very low when compared with top-performing states, and North Carolina does not offer low-priced college opportunities.

■ Undergraduate students borrowed on average \$3,752 in 2005.

## Change in Graded Measures

■ Over the past several years, the share of family income, even after financial aid, needed to pay for college expenses at public four-year institutions has increased from 19% to 26%.

■ During the same period, the state has increased its commitment to financially needy students. Nonetheless, the share of family income, including financial aid, needed to pay for college is large when compared with other states.

AFFORDABILITY	North Carolina		Top States In Early 1990s
	1992*	2006	
<b>Family Ability to Pay (50%)</b>			
Percent of income (average of all income groups) needed to pay for college expenses minus financial aid:			
at community colleges	18%	23%	15%
at public 4-year colleges/universities	19%	26%	16%
at private 4-year colleges/universities	52%	73%	32%
<b>Strategies for Affordability (40%)</b>			
State investment in need-based financial aid as compared to the federal investment	3%	39%	89%
At lowest-priced colleges, the share of income that the poorest families need to pay for tuition	7%	12%	7%
<b>Reliance on Loans (10%)</b>			
Average loan amount that undergraduate students borrow each year	\$2,851	\$3,752	\$2,619

\*The indicators report data beginning in 1992 or the closest year for which reliable data are available. See the *Technical Guide for Measuring Up 2006*.

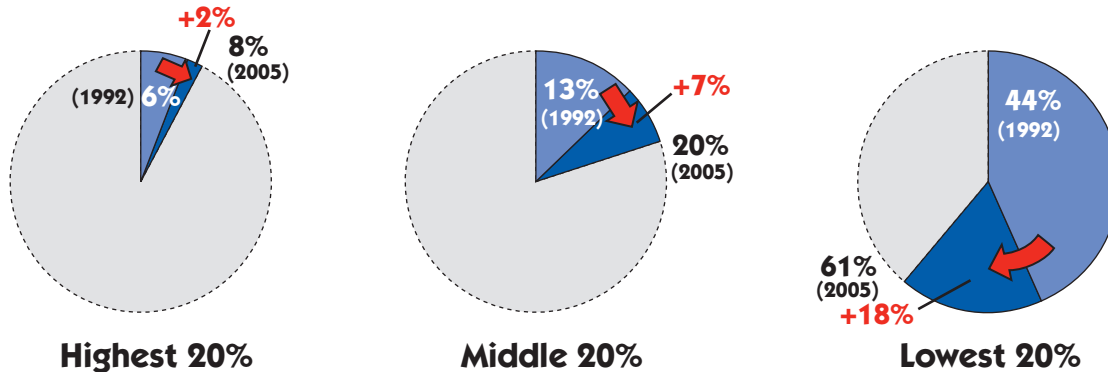
Note: In the affordability category, the lower the figures the better the performance for all indicators except for "State investment in need-based financial aid."

## Other Key Facts

■ In North Carolina, 48% of students are enrolled in community colleges and 36% in public four-year colleges and universities.

The affordability category measures whether students and families can afford to pay for higher education, given income levels, financial aid, and the types of colleges and universities in the state.

**College in North Carolina Has Become Less Affordable for Middle- and Low-Income Families (1992–2005)**



Net costs to attend public 4-year colleges as a share of income for different income families.

**Financial Burden to Pay for College Varies Widely Among Different Income Families in the State**

Those who are striving to reach or stay in the middle class—the 40% of the population with the lowest incomes—earn on average \$17,714 each year.

■ If a student from such a family were to attend a community college in the state, their net cost to attend college would represent about 34% of their income annually:

Tuition, room, and board: \$7,227  
 Financial aid received: -\$1,179  
 Net college cost: \$6,048  
 Percent of income: 34%

■ If the same student were to attend a public four-year college in the state, their net cost to attend college would represent about 39% of their income annually:

Tuition, room, and board: \$9,577  
 Financial aid received: -\$2,722  
 Net college cost: \$6,855  
 Percent of income: 39%

**Note**

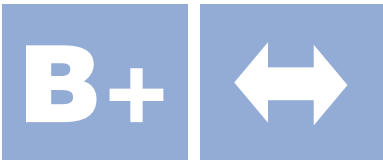
The numbers shown for tuition, room, and board minus financial aid may not exactly equal net college cost due to rounding.

A CLOSER LOOK AT FAMILY ABILITY TO PAY	Average family income	Community colleges		Public 4-year colleges/universities		Private 4-year colleges/universities	
		Net college cost*	Percent of income needed to pay net college cost	Net college cost*	Percent of income needed to pay net college cost	Net college cost*	Percent of income needed to pay net college cost
<b>Income groups used to calculate 2006 family ability to pay</b>							
20% of the population with the lowest income	\$10,441	\$5,721	55%	\$6,375	61%	\$19,722	189%
20% of the population with lower-middle income	\$24,986	\$6,376	26%	\$7,335	29%	\$19,914	80%
20% of the population with middle income	\$42,000	\$6,953	17%	\$8,541	20%	\$20,034	48%
20% of the population with upper-middle income	\$65,400	\$7,122	11%	\$8,789	13%	\$20,266	31%
20% of the population with the highest income	\$115,000	\$7,154	6%	\$8,886	8%	\$20,867	18%
<b>40% of the population with the lowest income</b>	<b>\$17,714</b>	<b>\$6,048</b>	<b>34%</b>	<b>\$6,855</b>	<b>39%</b>	<b>\$19,818</b>	<b>112%</b>

\*Net college cost equals tuition, room, and board, minus financial aid.

2006  
Grade

Change  
Over Time



*North Carolina has shown consistently good performance in the proportion of students earning a certificate or degree in a timely manner. This year North Carolina receives a B+ in completion.*

## Graded Information

Compared with other states:

- Only a fair percentage (48%) of first-year students in community colleges return for their second year.

- However, a very large percentage (80%) of freshmen at four-year colleges and universities return for their sophomore year.

- In addition, a very large percentage (58%) of first-time, full-time college students complete a bachelor's degree within six years of enrolling in college.

- The proportion of students who complete certificates and degrees, relative to the number enrolled, is large.

## Change in Graded Measures

- Over the past 15 years, North Carolina has consistently had a very high percentage of freshmen at four-year colleges and universities returning for their sophomore year.

COMPLETION	North Carolina		Top States 2006
	1992*	2006	
<b>Persistence (20%)<sup>†</sup></b>			
1st year community college students returning their second year	49%	48%	62%
Freshmen at 4-year colleges/universities returning their sophomore year	80%	80%	82%
<b>Completion (80%)</b>			
First-time, full-time students completing a bachelor's degree within 6 years of college entrance	57%	58%	64%
Certificates, degrees, and diplomas awarded at all colleges and universities per 100 undergraduate students	15	17	20

\*The indicators report data beginning in 1992 or the closest year for which reliable data are available.

<sup>†</sup>2006 data may not be entirely comparable with data from previous years.

See the *Technical Guide for Measuring Up 2006*.

The completion category addresses whether students continue through their educational programs and earn certificates or degrees in a timely manner. Certificates and degrees from one- and two-year programs as well as the bachelor's degree are included.

2006  
Grade

Change  
Over Time

**B**



North Carolina has seen an increase in the benefits the state receives from having a more highly educated population. North Carolina earns a B in benefits this year.

## Graded Information

Compared with other states:

- Only a fair proportion of residents have a bachelor's degree.

- However, residents contribute substantially to the civic good, as measured by charitable giving and volunteerism.

## Change in Graded Measures

- Over the past 12 years, the percentage of residents who have a bachelor's degree has increased substantially.

## Other Key Facts

- If all ethnic groups had the same educational attainment and earnings as whites, total personal income in the state would be about \$8.6 billion higher.

- In 2002, North Carolina scored 58 on the New Economy Index, compared to a nationwide score of 60. The New Economy Index, developed by the Progressive Policy Institute, measures the extent to which states are participating in knowledge-based industries.

- Policymakers and state residents do not have access to important information about high-level literacy skills because the state has declined to participate in the national literacy survey.

BENEFITS	North Carolina		Top States 2006
	1992*	2006	
<b>Educational Achievement (37.5%)</b>			
Population aged 25 to 65 with a bachelor's degree or higher	21%	27%	37%
<b>Economic Benefits (31.25%)</b>			
Increase in total personal income as a result of the percentage of the population holding a bachelor's degree	8%	10%	12%
Increase in total personal income as a result of the percentage of the population with some college (including an associate's degree), but not a bachelor's degree	3%	2%	3%
<b>Civic Benefits (31.25%)</b>			
Residents voting in national elections	55%	51%	64%
Of those who itemize on federal income taxes, the percentage declaring charitable gifts	89%	88%	91%
Increase in volunteering rate as a result of college education	n/a	18%	22%
<b>Adult Skill Levels (0%)*</b>			
Adults demonstrating high-level literacy skills:			
quantitative	18%	22%	33%
prose	16%	20%	33%
document	14%	18%	28%

\*The indicators report data beginning in 1992 or the closest year for which reliable data are available. See the *Technical Guide for Measuring Up 2006*.

†These are estimates from *Measuring Up 2004* and are not used to calculate grades. New data will be available in fall 2006.

The benefits category measures the economic and societal benefits that the state receives as the result of having well educated residents.

2006  
Grade



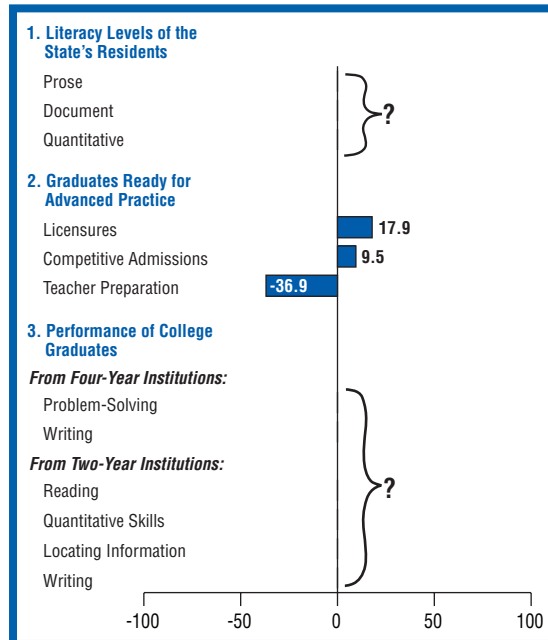
Like most states, North Carolina receives an “Incomplete” in Learning because insufficient data would not allow meaningful state-by-state comparisons. However, data are available this year to examine the readiness of college graduates—from two- and four-year institutions—for advanced practice. State results are described below.

In *Measuring Up 2006*, data are available, for the first time, for all fifty states on “Graduates Ready for Advanced Practice” indicators (see chart). In the 2004 edition of *Measuring Up*, state-level results on all Learning indicators were reported for five states (Illinois, Kentucky, Nevada, Oklahoma, and South Carolina) that participated in a pilot project directed by the National Forum on College-Level Learning and funded by the Pew Charitable Trusts.\* This project evaluated state performance in Learning on three topics:

**1. Literacy Levels of the State’s Residents.** These indicators answer the question, “What are the abilities of the state’s college-educated population?” The answer provides information about the level of “educational capital” the state can count on to develop a competitive 21st-century workforce and a responsible citizenry.

**2. Graduates Ready for Advanced Practice.** These indicators address the question, “To what extent do colleges and universities in the state educate students to contribute to the workforce?” These measures examine how well prepared state college and university graduates are to enter a licensed profession or participate in graduate study.

**3. Performance of College Graduates.** These indicators address the question, “How effectively can college and university graduates in the state communicate and solve problems?” The ability of college graduates to perform complex academic and real-world tasks is the “bottom line” in Learning. This can only be determined by common direct assessments of college graduate abilities.



Note: Measures under the third cluster will require special data collection efforts similar to those undertaken by the five pilot project states in 2004.

*Measuring Up 2006* employs the same methodology for Learning as used in the 2004 edition of *Measuring Up*. Overall state performance is illustrated by a bar chart for each state. In the chart, the data for each indicator are represented by a bar showing the number of percentage points the state performed above or below the national average.

The overall picture for *Measuring Up 2006* remains incomplete. While “Graduates Ready for Advanced Practice” results can be reported for all states, results for “Literacy Levels of State’s Residents” can only be calculated for five of the six states that participated in a state-level version of the National Assessment of Adult Literacy (SAAL) conducted in 2003. Results for “Performance of College Graduates”, reported in the 2004

edition of *Measuring Up*, were based on assessments administered to representative samples of college students in each of the five pilot project states. These measures were not updated for 2006.

## North Carolina Results

North Carolina is well above the national benchmark in workforce preparation as reflected in professional licensure examinations. Almost 10% more North Carolina graduates take such examinations than is typical nationally, and their pass rate is slightly above the national average. North Carolina is also almost 10 percentage points above the national benchmark

in preparing students for graduate study as reflected in graduate admissions examinations, placing it among the top 10 states on this measure. About 15% more North Carolina graduates take such examinations than is typical nationally, although the proportion earning competitive scores is about 10% below the national average. Finally, North Carolina is more than 35 percentage points below the national benchmark with respect to pass rates on the state’s teacher examinations.

North Carolina did not participate in the SAAL, so no results on literacy are available.

\*More information on the National Forum on College-Level Learning can be obtained at [http://www.highereducation.org/reports/mu\\_learning/index.shtml](http://www.highereducation.org/reports/mu_learning/index.shtml).

## How North Carolina Measures Up Internationally

### Participation\*

■ About 33% of young adults, ages 18 to 24, in North Carolina are currently enrolled in college. Although North Carolina's enrollment rate compares favorably with that of many countries, it represents only 69% of the rate in Korea, the top-performing nation on this measure. North Carolina is also surpassed by Greece, Finland, Belgium, Ireland, and Poland (see figure 1).

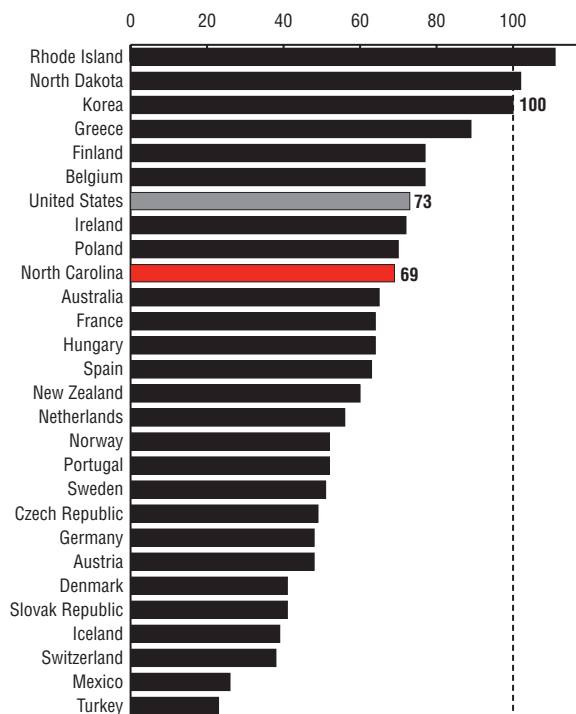
### Completion

■ When compared internationally, North Carolina is surpassed by many countries in the proportion of students who complete certificates or degrees. With 17 out of 100 students enrolled completing certificates or degrees, North Carolina's completion rate is only 72% of the rate in the United Kingdom, the top-performing nation on this measure, where 24 out of 100 students complete certificates or degrees. North Carolina also lags Japan, Portugal, Australia, Switzerland, Denmark, Ireland, New Zealand, France, Iceland, Korea, Belgium, Sweden, the Slovak Republic, and Poland (see figure 2).

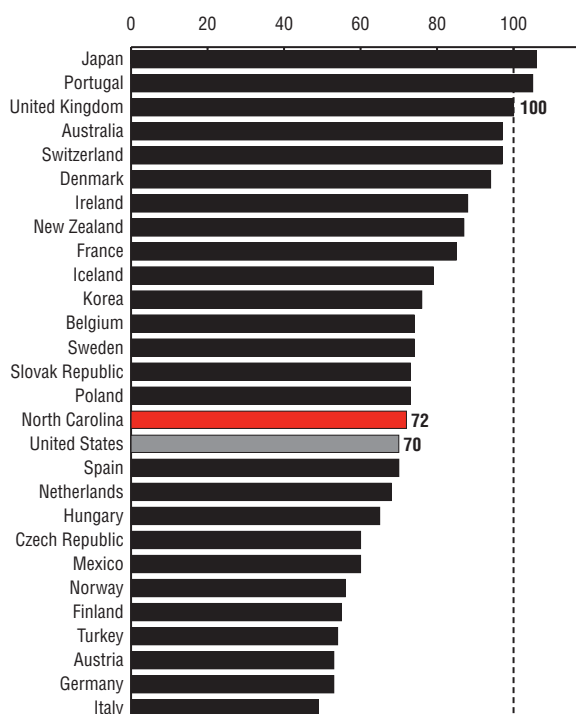
### Educational Level of Adult Population

■ North Carolina's younger adults, ages 25 to 34, are ahead of older adults, ages 35 to 64, in attaining a college degree. Internationally, however, the proportion of younger adults with a college degree in North Carolina is only 73% of the proportion in Japan, the top-performing nation on this measure. North Carolina is also surpassed by Canada, Korea, Finland, Norway, Sweden, and Belgium.

**Figure 1.** Percent of Young Adults (Ages 18-24) Currently enrolled in College, 2003



**Figure 2.** Total Degrees/Certificates Awarded Per 100 Students Enrolled, 2004



\*This measure includes both undergraduate and graduate enrollment, whereas the similar indicator in the graded category only reports undergraduate enrollment.

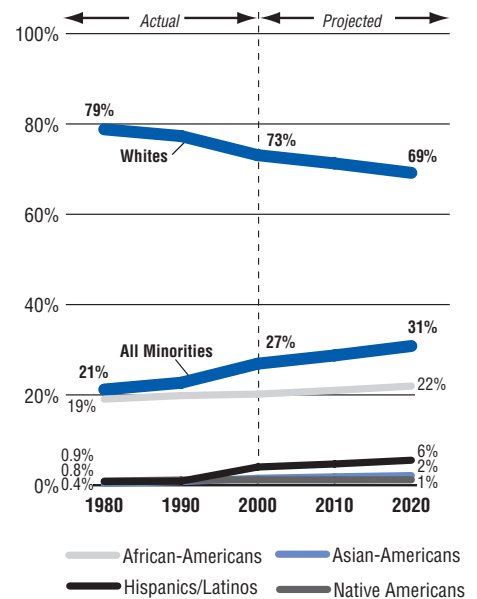
Note: The charts show index scores, as measured against the top performance. The top performance, defined as the median value of the top five performers, receives a score of 100. The top performer can be a nation or a U.S. state. For more international comparison information, go to [www.highereducation.org](http://www.highereducation.org).

State Context	North Carolina	State Rank
Population (2005)	8,683,242	11
Gross state product (2004, millions)	\$323,962	12
Leading Indicators	North Carolina	U.S.
Projected % change in population, 2005-2020	23%	14%
Projected % change in number of all high school graduates, 2002-2017	30%	8%
Projected budget surplus/shortfall by 2013	-7%	-6%
Average income of poorest 20% of population (2004)	\$10,441	\$12,168
Children in poverty (2004)	22%	18%
Percent of adult population with less than a high school diploma or equivalent (2004)	19%	14%
New economy index (2002)*	58	60
Facts and Figures	North Carolina	
	Number/Amount	Percent
Institutions of Postsecondary Education (2004-05)		
Public 4-year	16	
Public 2-year	59	
Private 4-year	46	
Private 2-year	6	
Students Enrolled by Institution Type (2004)		
Public 4-year	150,035	36%
Public 2-year	199,528	48%
Private 4-year	65,501	16%
Private 2-year	2,722	1%
Students Enrolled by Level (2004)		
Undergraduate	417,786	88%
Graduate	47,313	10%
Professional	7,610	2%
Enrollment Status of Students (2004)		
Full-time	299,649	63%
Part-time	173,060	37%
Net Migration of Students (2004)		
Positive numbers for net migration mean that more students are entering than leaving the state to attend college. Negative numbers reveal the reverse.	9,610	
Average Tuition (2005-06)		
Public 4-year institutions	\$3,645	
Public 2-year institutions	\$1,295	
Private 4-year institutions	\$19,191	
State and Local Appropriations for Higher Education		
Per \$1,000 of personal income, FY 2006	\$11	
Per capita, FY 2006	\$337	
% change, FY 1996-2006		66%

\* This index, created by the Progressive Policy Institute, measures the extent to which a state is participating in knowledge-based industries. A higher score means increased participation.

Note: Percentages might not add to 100 due to rounding.

## Working-Age Population (ages 25-64) by Race/Ethnicity, 1980-2020



## Racial and Ethnic Gaps in Educational Levels of Working-Age Population (ages 25-64), 2000

	Whites	African-Americans
Less than a high school credential	14%	23%
Associate's degree or higher	36%	20%

## QUESTIONS & ANSWERS

### **Q: What is being graded in this report card, and why?**

**A:** *Measuring Up 2006* grades states, not individual colleges or universities, on their performance in higher education. The states are responsible for preparing students for higher education by means of sound K–12 school systems, and they provide most of the public financial support—\$72 billion currently—for colleges and universities. Through their oversight of public colleges and universities, state leaders affect the types and number of programs available in the state. State leaders also determine the limits of financial support and often influence tuition and fees for public colleges and universities. They establish how much state-based financial aid is available to students and their families, which affects students attending both private and public colleges and universities.

### **Q: How are states graded?**

**A:** *Measuring Up 2006* grades states in six performance categories: Preparation, Participation, Affordability, Completion, Benefits, and Learning. Each category is made up of several indicators, or quantitative measures—a total of 35 in the first five categories. Grades are calculated based on each state's performance on these indicators, relative to the best-performing states. As in earlier editions, state data are drawn from the most recent public information available, and the grades in *Measuring Up 2006* reflect state performance in 2004 or 2005.

In the Affordability category, *Measuring Up 2006* reflects the major changes in tuition and financial aid that occurred in 2005. In addition, each state's performance is calculated relative to the performance of top states in the early 1990s—rather than relative to the current performance of top states, as is the case with other graded categories. This difference in comparison, first introduced in *Measuring Up 2004*, creates a more stable basis for states to assess their performance in Affordability, which is the most volatile of the graded categories.

*Measuring Up 2006* is the first edition that includes data in the Learning category for all 50 states on the extent to which colleges and universities prepare students to contribute to the workforce (see the “Graduates Ready for Advanced Practice” indicators). As in *Measuring Up 2004*, most states in 2006 receive an “Incomplete” in Learning due to the lack of reported information. This year, however, nine states receive a “Plus”: Illinois, Kentucky, Maryland, Massachusetts, Missouri, Nevada, New York, Oklahoma, and South Carolina. These nine states reported adequate data in more than

one of the indicator groups either through their participation in a pilot project, or by collecting additional state data for the state version of the National Assessment of Adult Literacy (NAAL) conducted in 2003.

All data used to grade states in *Measuring Up 2006* were collected from reliable national sources, including the U.S. Census Bureau and the U.S. Department of Education. All data are the most current available for state comparisons, are in the public domain, and were collected in ways that allow meaningful comparisons among states. Please see the *Technical Guide for Measuring Up 2006* (available at [www.highereducation.org](http://www.highereducation.org)) for more information regarding data sources used in *Measuring Up 2006*.

### **Q: What information is provided but not graded?**

**A:** The state report cards highlight important gaps in college opportunities for various income and ethnic groups, and they identify improvements and setbacks in each state's performance over time. Each report card also presents important contextual information, such as demographic trends, student migration data, and state funding levels for higher education. International comparisons provide new contextual information for states.

### **Q: Why does *Measuring Up 2006* include international indicators?**

**A:** *Measuring Up 2006* is the first edition to draw on international indicators, at both the state and national levels. In a global economy, it is critical for each nation to establish and maintain a competitive edge through the ongoing, high-quality education of its population. *Measuring Up 2006* provides essential information on how well the nation and each of the 50 states are preparing residents with the knowledge and skills necessary to compete effectively in the global economy. As with other data in *Measuring Up*, each international measure is based on the most current data available. In this case, the data are from the Organisation for Economic Co-operation and Development (OECD). International comparisons are used to gauge the states' and the nation's standing relative to OECD countries on the participation and educational attainment of their populations.

For more information on international comparisons, see *Measuring Up Internationally: Developing Skills and Knowledge for the Global Knowledge Economy* by Alan Wagner. For more information on available data sources, see the *Technical Guide for Measuring Up 2006* (available at [www.highereducation.org](http://www.highereducation.org)).

# STATE GRADES

	Preparation	Participation	Affordability	Completion	Benefits	Learning
Alabama	D-	C	F	B-	B	I
Alaska	B-	C+	F	F	B-	I
Arizona	D	B+	F	B	B+	I
Arkansas	D+	C	F	C	C	I
California	C	A	C-	B	A	I
Colorado	B+	A-	F	B	A-	I
Connecticut	A-	A-	F	B+	A	I
Delaware	C	B	F	A-	B-	I
Florida	C	C	F	A	B	I
Georgia	C+	D+	F	A	B-	I
Hawaii	C-	C	D	B-	A-	I
Idaho	C	D+	D	C+	C-	I
Illinois	B	A	F	B+	A	+
Indiana	C	C+	F	B+	C	I
Iowa	B+	A-	F	A	C	I
Kansas	B-	A	F	B+	B+	I
Kentucky	C-	B-	F	C+	C+	+
Louisiana	F	C-	F	C-	D+	I
Maine	B	B-	F	B	B-	I
Maryland	A-	A	F	B	A	+
Massachusetts	A	A	F	A	A	+
Michigan	C-	A-	F	B	A-	I
Minnesota	B	A	D	A	B+	I
Mississippi	D-	D	F	B	C	I
Missouri	C	B	F	B+	A	+
Montana	B+	C-	F	B-	C+	I
Nebraska	B	A	F	B+	B	I
Nevada	C-	C	F	F	C-	+
New Hampshire	B+	C+	F	A	A	I
New Jersey	A	A-	D	B	A	I
New Mexico	F	A	F	D	C	I
New York	A-	B-	F	A-	B+	+
North Carolina	B+	B-	F	B+	B	I
North Dakota	B-	A	F	B	C+	I
Ohio	B-	B-	F	B	B+	I
Oklahoma	D+	C+	F	C	B-	+
Oregon	C-	C+	F	B-	A	I
Pennsylvania	B	B	F	A	A-	I
Rhode Island	C+	A	F	A	B	I
South Carolina	C+	D+	F	B+	C	+
South Dakota	B	A	F	B+	C+	I
Tennessee	C-	C-	F	B	C+	I
Texas	B-	C+	F	C+	B-	I
Utah	A	B	C-	B	A-	I
Vermont	B-	C	F	A	A-	I
Virginia	A-	B	F	B+	A	I
Washington	B	C-	D-	A	A-	I
West Virginia	C-	C-	F	C+	D+	I
Wisconsin	B+	A-	F	A	B-	I
Wyoming	C-	B+	F	A	C-	I