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Testimony before the U.S. House Committee on Education and Labor

The Cost of College: Student Centered Reforms to Bring Higher Education Within Reach March 13, 2019

Good Morning. My name is Dr. Alison Morrison-Shetlar and I am the Interim Chancellor of Western Carolina University – the westernmost campus in the globally-recognized University of North Carolina System. Our university is one whose mission is to serve our region and our community and that is reflected in the students we serve. Approximately 43% of Western Carolina students are Pell Grant recipients and 40% are first generation college students. Western Carolina University has enjoyed great success – strong enrollment trends for the past seven years resulted in more than 11,600 students this past fall and a focus on student success aided in a seven-year increase in freshman retention from 71% to 80%, and a six-year graduation rate that has risen from 50% to now over 60%.

As a regional comprehensive university, we know the lion's share of the work needed to lift families out of poverty happens at universities like ours. We take that responsibility seriously. This past fall, Western Carolina implemented a bold and innovative program, created by a forward-thinking North Carolina legislature, to make college more affordable for EVERY student. I am here today to bring the committee's attention to the strategies our state and the University of North Carolina System are employing to provide access to higher education that is truly affordable, that leads to a degree in a timely fashion, and that sets our students up for success after graduation.

North Carolina has a long history of generous support for its public universities and ranks 5th nationwide in both per pupil and per capita spending toward higher education.

Our state recognizes that our universities, particularly regional comprehensive institutions like Western, are also essential to job creation, and sustainable growth for the businesses and industries which they are located.

In today's economy, a college degree is THE primary route to economic mobility available to the American public, one that helps transform the lives of individual students AND their families.

With this in mind, North Carolina's General Assembly, has taken important steps to invest <u>in</u> rather than divest <u>from</u> public higher education.

2016 was a watershed year for college affordability in the University of North Carolina System. First, the General Assembly called upon the universities within our System to implement a fixed tuition program, where each student's tuition remains constant for eight consecutive semesters, helping families to plan for and sustain the cost of a high-quality education. The following year, a cap on student fees limited their increase to 3% per year, helping to keep inflationary costs at a reasonable level.

2016 also saw the creation of NC Promise, one of the country's boldest experiments in providing a radically affordable college education.

NC Promise sets tuition at \$500 per semester for in-state students and \$2,500 per semester for out-of-state students at three universities in the state: Elizabeth City State University, The University of North Carolina at Pembroke, and Western Carolina University.

Yes, you heard correctly. Tuition at our university is now only \$500 a semester for in-state students. The state pays the difference between what it used to cost before NC Promise —to the tune of \$51 million this first year alone. That's about one and a half times the investment Tennessee has made in Tennessee Promise, their free community college program.

The goals for this program are clear: increase access to higher education, improve affordability, reduce student debt, and continue to grow the economy in North Carolina.

I can tell you from my interactions with students that this program is a game changer. It is opening doors. It is changing the trajectory of their lives and setting them up for success beyond their expectations.

And NC Promise's impact on decreasing student indebtedness is real. NC Promise is unique compared to most of the "free college" programs in that it is a first-dollar scholarship; that means the tuition price comes down before any other financial aid is awarded. Pell Grants, state scholarships, and institutional aid go a lot further than they used to under NC Promise.

At Western, the program allows an in-state student who finishes their degree in 4-years to save approximately \$12,000, an amount nearly equivalent to the total cost of attendance for one full academic year.

Is NC Promise working? Unequivocally, the answer is yes.

At Western Carolina University this fall, total undergraduate enrollment grew by 6.6%. The number of first-time, full-time freshmen increased by 10.5% and transfer students by 40.5%. At Elizabeth City State University, undergraduate enrollment has risen 19%. At the University of North Carolina-Pembroke, their undergraduate enrollment increased by 14% and both universities saw their freshmen class grow by 20%.

In a survey of Western Carolina's Fall 2018 entering class, 21% of new freshmen, 30.7% of all Pell-eligible students, and 35.7% of Hispanic students said that, had it not been for NC Promise, they would NOT have been able to attend ANY college or university. These numbers are hard to ignore.

All three NC Promise institutions are in historically under-served parts of North Carolina. UNC Pembroke and Elizabeth City State University are both historically minority-serving institutions. This program is a targeted intervention that lifts up the communities and families who need it the most.

Beyond the impact to individual students, this program will have a lasting impact on our state and its economy, because NC Promise is playing a significant role in increasing the number of career-ready graduates that our state needs to meet workforce demands. Many of the students that have been brought into higher education by NC Promise are entering degree programs that will prepare them to serve our state in important ways.

Western Carolina has seen tremendous growth in our engineering programs – meeting the demand of the high-tech manufacturing sector growing in our region.

We've also seen growth in our health sciences programs, which train students in a number of high-demand fields. At Western Carolina we are finding innovative ways to meet the demand for these degrees, such as our RIBN transfer program. Through a partnership with regional community colleges, a nursing student can be dual-enrolled at one of our partner colleges and at WCU. The student attends community college the first three years while taking one class a semester online with Western Carolina. The student then finishes their fourth year at Western and receives their BSN for a total cost of \$20,000.

And, many of our students aspire to have an impact beyond our region and our state. In October, I had the pleasure of meeting transfer student Gabriel Pope. Gabriel knew he wanted to pursue a four-year degree, but he said finding a school he could afford was a challenge. He is highly concerned about student debt because he has plans beyond WCU. He wants to go to law school and eventually into politics. Having spent five years overseas as the son of missionaries, Gabriel hopes to one day work for, or even become, the U.S. Secretary of State. It may sound ambitious, but if you knew Gabriel, you would know his incredible dedication and potential for leadership. Students like Gabriel represent our future global leadership, and there is nothing more important than insuring their access to a quality education.

Another student who spoke with me about how NC Promise directly impacted her was Marcy Sammons of Gastonia, NC. Sammons dreamed of getting a 4-year marketing degree in high school, but when her senior year rolled around, the cost of a four-year university simply wasn't an option for her or her family. She was going to need to borrow the money she would need to attend school, and the thought of finishing a marketing degree with significant college debt was overwhelming.

So, in the fall of 2016, Sammons enrolled at Gaston College, a public community college near her home. She earned her Associate of Arts from Gaston while living at home and working a part time job to pay her tuition cost.

Then, last year, as she began to again consider whether or not she could afford to transfer to a four-year school and finish her bachelor's degree, Sammons heard from friends at WCU about the introduction of NC Promise. Marcy told me that learning about NC Promise is what definitely made Western Carolina a yes. She called it the deal maker.

These are just a couple of the stories we have of students whose lives are being changed every day by invests like these.

And there should be no question that an educated, leadership ready workforce is an absolutely essential part of economic development for any community, any region, and any state. And I have no doubt that a college degree, especially one that does not leave the student burdened with crushing debt, can transform a student's future.

North Carolina's overall investment in higher education, and the groundbreaking NC Promise program, is a win for all. It is a win for the student, for the student's family, for the businesses who call North Carolina home, and for the state's efforts to promote a thriving economy and quality of life for its citizens.

Thank you for the opportunity to speak with you today.