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EDUCATION GUIDE

Education

The true cost of higher ed: How Triad leaders are balancing financial sustainability with affordability



A student tours Winston-Salem State University on admitted students day.
COURTESY OF WSSU



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Story Highlights

- The UNC System Board of Governors approved a 3% tuition increase for new undergraduate students for the 2026-2027 academic year.
- Not all universities in the system are implementing the increase.
- Only 22% of Americans say a four-year college degree's cost is worth it even with loans, according to Pew Research Center.

Higher education leaders are doing the math and finding fewer easy answers when it comes to balancing affordability with financial sustainability.

As enrollments fluctuate and costs climb, higher education is confronting a financial reckoning, forcing presidents and boards to balance the long-term survival of their institutions with a cost of a four-year degree that students and families increasingly struggle to afford.

As these pressures continue to mount, North Carolina institutions are having to figure out how to move forward. In May 2025, St. Andrews University, a small private college in Laurinburg, closed its doors for good. Last month, Saint Augustine's University in Raleigh filed for Chapter 11 bankruptcy protection.

Closer to home, in December 2024, the Southern Association of Colleges and Schools Commission accrediting group continued its probation for good cause of Guilford College for the second consecutive year for concerns about its fiscal responsibility and feasibility. In December 2025, Guilford announced it retained its accreditation.

Meanwhile, Elon University and Queens University of Charlotte last year announced plans to merge, touting their decision as a [proactive maneuver to better position the universities in a fast-changing higher-education landscape](#). Some observers have signaled that their decision [might even be a model for others to follow](#).

Nationwide, at least 16 colleges and campuses announced closures or mergers in 2025, following a high of 28 closures in 2024.

“Many schools have shut down, and many schools have shut down for one primary reason,” said [High Point University President Nido Qubein](#). “It's not because they couldn't find professors, it's not because they didn't have buildings or they ran out of food. It's because of their finances.”



Dr. Nido Qubein, president of High Point University

ELAINA HUFFMAN

While Triad leaders are working to ensure students and families maintain access to higher education, they also are managing budget tightening, shifts in federal funding and increasing operating costs.

“I would love to make sure that we don't raise any prices at High Point for the next 10 years,” Qubein said. “But then I can't raise salaries, and I can't give the city of High Point more money for utilities, and I can't repair roofs that are leaking, and you know, all of that.”

Raising tuition

The convergence of financial pressures led the UNC System Board of Governors to approve a 3% tuition increase for new undergraduate students for the 2026–2027 academic year, the first in nearly a decade. The increase impacts incoming in-state undergraduates by an average of \$125 per year.

Of the Triad universities in the UNC System, N.C. A&T State University and UNC-Greensboro will raise tuition by 3% across the board. Winston-Salem State

University isn't increasing costs for in-state undergraduates. The school will implement a 2% increase for out-of-state undergraduates.

According to a 2024 report by Money Magazine, N.C. A&T is the most affordable doctoral research university in the country at around \$20,100 per year. When the average student financial aid grant is factored in, A&T's average full price is \$9,700, and 92% of its first-year students receive financial aid support. For low-income students, the average falls even lower to \$7,600.



A family poses on move in day at N.C. A&T.

COURTESY OF N.C. A&T

While [N.C. A&T Chancellor James R. Martin II](#) said that affordability is key to A&T, the reality is that the university's cost of doing business has increased substantially.

“We're a business, so every other system that's involved with us, whether it's supply chain, whether it's food, transportation, fuel cost, salaries, cost of living adjustments, the cost of property, the cost of athletic conferences, every single aspect of what we touch is subject to inflationary escalations,” Martin said.



James R. Martin II, N.C. A&T Chancellor

CHRIS ENGLISH

Raising tuition is one option for increasing revenues, but it is not a one-size-fits-all solution.

[WSSU Chancellor Bonita Brown](#) chose not to raise tuition for in-state undergraduates because she said that it would not be affordable for her student population. At WSSU, about 70% of students receive an income-based federal Pell Grant.

“I just could not justify raising tuition knowing that, literally, a \$100, \$200 increase could be the reason [students] drop out,” Brown said.

Alternative funding streams

With this in mind, Brown has to find other alternatives to ensuring financial sustainability.

“We're looking at ourselves internally to make sure we're spending every dollar where it's going to have the greatest impact, that we're streamlining our processes

and procedures, maximizing technology, all of those things, to make sure that we're not raising the cost and passing that on to students," Brown said.

The tuition hike comes as universities grapple with federal funding cuts and face uncertainty related to the state budget.

Alternative funding streams such as partnerships, grants and philanthropy are becoming increasingly important for university leaders as they work to raise funds without raising tuition.



Chancellor Bonita Brown, Winston-Salem State University

GARRETT GARMS

In November, philanthropist MacKenzie Scott gave WSSU a \$50 million donation, the largest single gift in the school's history.

The donation was Scott's second transformational gift to the university. In 2020, Scott gave the historically Black university \$30 million, and the latest contribution raises Scott's total commitment to \$80 million in unrestricted funds.

Scott's most recent gift went entirely into growing WSSU's endowment. Most recent data showed that WSSU grew its endowment to \$48.82 million at the end of FY 2023, up 94.3% from the previous year.

Brown said that she chose to put the money into growing the endowment because it acts as the school's credit in a sense, signaling to partners that the school has the funds for future endeavors.

"It just changes how we're able to walk in the rooms with people for when we need to do future business," Brown said.

Brown hopes that Scott inspires more transformational philanthropy from others.

Just days after giving WSSU \$50 million, Scott also donated \$63 million to N.C. A&T. Martin said that diversifying revenue streams is key today.

"That's really critical: Diversify the sources of funding," Martin said. "Have more funding from the state, more funding from industry, more funding from foundations."

Revenues and expenses

While cuts are not ideal for university leaders, many recognize that they cannot offer everything in today's tumultuous environment.

In February 2024, [UNCG Chancellor Frank Gilliam](#) chose to act on a faculty recommendation to eliminate 20 programs following challenges with enrollment and tuition revenue declines.

Gilliam said that as an academic, it hurt him to make the cuts, but he couldn't justify spending money on programs that were graduating very few students.

“I’m not an MBA; I’m a political scientist,” Gilliam said. “But I know two columns: it is revenues and expenses.”



UNCG Chancellor Frank Gilliam

UNC GREENSBORO

After completing the cuts, Gilliam believes the university is positioned not just to adapt, but to lead, amid ongoing economic pressures and evolving institutional demands.

He said that throughout it all, UNCG was very intentional and honest about what kind of university it was.

“We never lost sight of our core mission, our North Star, which was to provide access to as many students as we could and provide them with the highest level of education we could,” Gilliam said.

Return on investment

As university leaders adopt more of a business mindset when it comes to higher education, students and families are doing the same when questioning their

return on investment.

In recent years, [challenges that universities have faced](#) include families weighing the cost of a four-year college degree, some students choosing community colleges or trade schools, and mixed-messaging surrounding higher education.

According to a 2024 report by the Pew Research Center, Americans hold a mixed view of a traditional degree. Only 22% say the cost of getting a four-year college degree today is worth it even if someone has to take out loans. Some 47% say the cost is worth it only if someone doesn't have to take out loans. And 29% say the cost is not worth it.



Students walk on campus at N.C. A&T State University.

COURTESY OF N.C. A&T

As colleges navigate their own financial challenges, they also must convince students and families that the cost of higher education is worth it for them.

At Triad Business Journal's March 12 Alamance Growth Summit, Elon University President Connie Book shared some statistics from the American Council on Education about median earnings by educational attainment in North Carolina.

People who earned a high school degree or equivalent typically earn around \$36,723 per year. That number rises to \$41,941 for people who earned some college or associate degree and \$62,338 for those who earned a bachelor's degree or higher.

Additionally, the estimated unemployment rate in North Carolina for those who earned a high school degree or equivalent was 4.6%, and that percentage fell to 2.4% for those who had some college or higher.



Elon University president Connie Book speaks at the Alamance Growth Summit at Elon University.
CARL WILSON

Brown said that to her, it will always be worth it because WSSU is a leader in social mobility.

“We are known for social mobility,” Brown said. “So that means, not only does a student graduate, they move their whole families to a whole other income level. So, yes, it's worth it. If you can do that within one generation, it is worth it.”

Gilliam agreed that higher education remains valuable today because of its ability to change lives.

He said that when walking around campus one day, he was talking to a large family from a small town in North Carolina. When he asked which of them was the UNCG student, the parents proudly pointed to their son, referring to him as their family's "ladder."

"This concept of a ladder, or the ladder to prosperity, this is what this university does," Gilliam said.

There are substantial differences in lifetime earnings by educational attainment according to research by the Social Security Administration.

Men with bachelor's degrees earn approximately \$900,000 more in median lifetime earnings than high school graduates. Women with bachelor's degrees earn \$630,000 more.

Martin said that when it comes to conveying ROI, universities need to lean into the distance traveled by college graduates between where they come from and where they end up rather than just affordability.

"We have to look at where we start and where we finish," Martin said. "We really do have to look at that, because it's one thing to talk about being the most affordable, to have the lowest cost. That's not the bottom line. It's what do you get for it?"