NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
R. Scott Ralls, Ph.D.
President

24 November 2014

IMPORTANT INFORMATION

MEMORANDUM

TO: Members of the State Board of Community Colleges, Community College Presidents, Boards of Trustees Chairs, Community College Business Officers, Chief Admissions Officers, Chief Financial Officers, Financial Aid Officers, Student Development Administrators, Registrars & Other Interested Parties

FROM: Q. Shanté Martin, NCCCS General Counsel

RE: Proposed Amendment of 1E SBCCC 200.2 – “Time Due, Deferred Payment, Failure to Pay”

The State Board of Community Colleges (“SBCC”) has initiated the rulemaking process to amend the following rule:

1E SBCCC 200.2 – “Time Due, Deferred Payment, Failure to Pay”

The State Board of Community Colleges proposes to amend this rule by adding exceptions to this rule that will serve company-sponsored, captive or co-opted course sections, and public service agency-sponsored students. The proposed amendments are published on the NC Community College System’s website, www.nccommunitycolleges.edu, under "State Board Code." For your convenience, a copy of the proposed rules, with the changes indicated, is attached to this memorandum. Please post a copy of the proposed rules in prominent places so that all individuals affected by the proposed changes will be informed.

Any member of the public has the right to submit written comments on the proposed rules. Written comments on the rules must be received by no later than 5:00 p.m. on December 24, 2014. Any member of the public has the right to request a hearing on the proposed rules. Requests for a hearing must be received by no later than 5:00 p.m. on December 9, 2014. Written comments and requests for hearing shall be directed to the following address: Q. Shanté Martin, 200 W. Jones Street, 5001 Mail Service Center, Raleigh, NC 27699-5001 or by email to publiccomments@nccommunitycolleges.edu. Thank you for your attention to this matter.

CC14-039
E-mail Copy

Attachments
Date: 24 November 2014

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<th>Title, Chapter, Subchapter, and Rule Number of Rule Proposed to be Adopted, Amended, or Repealed</th>
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<td>Amend 1E SBCCC 200.2 – “Time Due, Deferred Payment, Failure to Pay”</td>
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<th>Specify whether the SBCC proposes to adopt amend, or repeal a rule:</th>
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<td><strong>Adopt</strong> (new rule)</td>
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**Rationale for proposed adoption, amendment or repeal:**
When the State Board of Community Colleges (“SBCC”) amended 1E SBCCC 200.2(c) – “Time Due, Deferred Payment, Failure to Pay” on 16 May 2014, the SBCC failed to consider the impact of this rule on company-sponsored, captive or co-opted course sections, and public service agency-sponsored students. Adding these additional exceptions to 1E SBCCC 200.2(c) will enable colleges to serve these clients.

**Proposed Effective Date of Rule:** March 1, 2015
IE SBCCC 200.2 is proposed for amendment as follows:

State Board of Community Colleges Code

TITLE 1 – COMMUNITY COLLEGES

CHAPTER E. STUDENT TUITION AND FEES

SUBCHAPTER 200. GENERAL PROVISIONS

1E SBCCC 200.2 Time Due, Deferred Payment, Failure to Pay

(a) Time Due. If a student registers on or before the first date of a course section, tuition, registration fees, and other fees required for enrollment are due on a specific date prescribed by the college that is on or before the first date of the course section. If a student registers after the first date of the course section, tuition, registration fees, and other fees required for enrollment are due at the time of the student’s registration. A student may satisfy the requirement for payment due through one or more of the following four methods:

1. Directly paying the college.
2. Demonstrating to the college’s satisfaction that the student is eligible for financial aid or other third-party payment.
3. Entering into a deferred payment plan authorized by 1E SBCCC 200.2(b).
4. Providing evidence of eligibility for a tuition or registration fee waiver consistent with 1E SBCCC 800.

To ensure tuition receipts are deposited to the credit of the fiscal year in which the Fall academic term occurs, colleges shall begin collecting curriculum tuition payments for the Fall academic term on or after July 1 of that year.

(b) Deferred Payment. The college may, with approval of the board of trustees, prescribe written procedures to permit short-term deferred payment or payment in installments; provided, however, that payment in full is due by the end of the academic term. For the purposes of this section, “short term” is defined as a period that does not extend beyond the last day of the academic term.

(c) Failure to Pay. Unless otherwise prohibited by law, colleges may not enroll or distribute an academic credential to a student with an outstanding balance for tuition or registration fees except under the following circumstances:
(1) The college anticipates that the outstanding balance will be paid using pending financial aid; or

(2) A person or organization demonstrates to the satisfaction of the college the ability to pay the outstanding obligation and guarantees in writing to pay the balance if the student fails to do so;

(3) A student is registered in a course section offered for the benefit of a company or agency. For the purpose of this rule, company or agency specific course sections are courses where the company pays the tuition or registration, and courses where attendance in the course section is limited to employees of the company or agency;

(4) A student is classified as a captive or co-opted student pursuant to 1D SBCCC 700.98(a); or

(5) A student is registered in a course that is on a specialized course list approved by the State Board of Community Colleges and supports the organizational training needs for entities specified in G.S. 115D-5(b)(2).

Unless otherwise prohibited by law, colleges may withhold transcripts of grades and any other service pending resolution of outstanding monetary obligations. This statement shall not be construed to prohibit a college's board of trustees from adding more stringent provisions that are allowable under law regarding outstanding monetary balances.

**History Note:** Authority G.S. 115D-5; G.S. 115D-39;

Eff. May 16, 2014;

Amended Eff. March 1, 2015.