



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Peter Hans, President

23 March 2020

MEMORANDUM

- TO:** Members of the State Board of Community Colleges
Community College Presidents
Chairs of the Boards of Trustees
Community College Chief Academic Officers, Chief Admissions Officers, Basic Skills Directors, Business Officers, Continuing Education Officers, Chief Financial Officers, Financial Aid Officers, Public Information Officers, Registrars, Student Development Administrators, & Other Interested Parties
- FROM:** Jonathan R. Harris, *NCCCS General Counsel*
- RE:** **Amendment of 1G SBCCC 100.1 – Definitions**
Amendment of 1G SBCCC 100.99 – Budget FTE Funding

On 19 March 2020, the State Board of Community Colleges voted to amend both **1G SBCCC 100.1 – Definitions** and **1G SBCCC 100.99 – Budget FTE Funding**. These amendments move the definition of “instructional costs” from 1G SBCCC 100.99 to 1G SBCCC 100.1. An additional amendment to 1G SBCCC 100.99 clarifies that college-sponsored instruction shall not supplant existing training that may take place without the college’s involvement.

The rules will be effective 1 April 2020. The new rules will be published on the NC Community College System's website, www.nccommunitycolleges.edu/sbcccode. For your convenience, a copy of the rules in their final form is attached to this memorandum. To see the changes made to each rule, click on the April 1, 2020 hyperlink found at the end of each attached rule.

CC20-026
E-mail Copy

Attachment

1G SBCCC 100.1 is amended as follows:



1 **State Board of Community Colleges Code**
2 **TITLE 1. COMMUNITY COLLEGES**

3
4 **CHAPTER G. FULL-TIME EQUIVALENT (FTE)**

5
6 **SUBCHAPTER 100. DEFINITIONS AND GENERAL PROVISIONS**

7
8 **1G SBCCC 100.1 Definitions**

9 The following definitions apply to this Chapter:

- 10 (1) "Credit Hours": Shall have the same meaning as in 1D SBCCC 400.1(c).
- 11 (2) "Academic Term Reporting Period": The calendar year is divided into three academic
12 term reporting periods and are defined as follows:
- 13 (a) Spring Term (Period 1): January 1 - May 15;
- 14 (b) Summer Term (Period 2): May 16 - August 14;
- 15 (c) Fall Term (Period 3): August 15 - December 31.
- 16 (3) "Annual Reporting Period". The annual reporting period for instructional programs is
17 defined as the Summer Term (Period 2), Fall Term (Period 3), and Spring Term
18 (Period 1) reporting periods completed immediately preceding the end (June 30th) of
19 a specified fiscal year.
- 20 (4) "Budget Full-Time Equivalent (BFTE)" – The number of full-time equivalent (FTE)
21 students for which colleges are funded through State funding formulas.
- 22 (5) "Full-Time Equivalent (FTE) Student" – An amount of instruction that equates to 512
23 student hours in membership as defined in 1G SBCCC 200.93 and 1G SBCCC
24 200.94.
- 25 (6) "Instructional Cost" – The direct cost of delivering course content to include the salary
26 of the instructor(s), fringe benefits, supplies, materials and travel paid from college
27 funds.

28 *History Note: Authority G.S. 115D-5; 115D-54; S.L. 1995, c. 625;*

29 *Eff. September 1, 1993;*

30 *Temporary Amendment Eff. [July 20, 2018](#); June 1, 1997;*

1G SBCCC 100.1 is amended as follows:

1 Amended Eff. [April 1, 2020](#); [October 1, 2018](#); [November 1, 2017](#); [May](#)
2 [1, 2017](#); December 1, 2012; July 1, 1998.



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8 **1G SBCCC 100.99 Budget FTE Funding**

9 (a) All student membership hours generated by the college for a given class shall be
10 counted for budget FTE purposes provided 100 percent of the instructional cost is paid
11 from college funds (funds budgeted through the college's budget including State
12 Current, County Current, or College Funds). These provisions apply to all instructional
13 contracts which generate budget FTE including Basic Skills classes.

14 (1) College-sponsored instruction shall not supplant existing training which may take
15 place without the college's involvement.

16 (2) A company or entity may reimburse the college for a given class up to 50 percent
17 of the instructional cost. The student hours in membership generated in the class may
18 be reported for budget FTE. If the college is reimbursed for more than 50 percent of
19 the instructional cost for a given class, student hours in membership reported for the
20 class shall be prorated in the same proportion as the college funding. If the college is
21 reimbursed for 100 percent of the instructional cost, the class would be gratis [see
22 Paragraph (b) of this Rule] and no budget FTE would be generated.

23 (3) In cases where a company or entity donates funds to a college with no
24 expectation for instruction in return, these funds shall be treated as college funds
25 and may be used to generate budget FTE.

26 (4) The community college shall not contract with a company or entity for that
27 company or entity to provide training to its current employees.

28 (b) Any class for which the instructor's services are provided at no cost or for which the
29 instructional cost is paid totally and directly by an external agency is a "gratis" class.
30 In this situation, the class is reported as self-supporting, and does not generate

1G SBCCC 100.99 is amended as follows:

1 budget/FTE. If a portion of the class is gratis, student hours shall be prorated
2 accordingly.

3 (c) Categorical state allotments to colleges, except literacy, such as Small Business,
4 Customized Training Programs, Community Service, and Block Grants do not earn
5 budget/FTE and are not subject to the provisions of this Rule.

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7 *History Note: Authority G.S. 115D-5; 115D-31; 115D-58.5; S.L. 2001, c. 424, s.*

8 *30.3(b),(e);*

9 *Eff. September 1, 1988;*

10 *Temporary Amendment Eff. October 15, 1992 for a period of 180 days to*
11 *expire on April 15, 1993;*

12 *Temporary Amendment Eff. November 1, 1993 for a period of 180 days*
13 *or until the permanent rule becomes effective, whichever is sooner;*

14 *Amended Eff. June 1, 1994; September 1, 1993;*

15 *Temporary Amendment Eff. October 4, 2001;*

16 *Amended Eff. [April 1, 2020](#); December 1, 2012; May 1, 2009; April 1,*
17 *2003.*