



## NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

*Peter Hans, President*

20 April 2020

### MEMORANDUM

- TO:** Members of the State Board of Community Colleges  
Community College Presidents  
Chairs of the Boards of Trustees  
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:** **Temporary Amendments and a Rule Waiver in Response to COVID-19**
- **1C SBCCC 300.2 – Evaluation of Presidents**
  - **1E SBCCC 200.2 – Time Due, Deferred Payment, Failure to Pay**
  - **Waiver of 1B SBCCC 200.3(c)(9) – Establishing Multi-Campus Centers**

On 17 April 2020, the State Board of Community Colleges (SBCC) adopted temporary amendments to **1C SBCCC 300.2 – Evaluation of Presidents** and **1E SBCCC 200.2 – Time Due, Deferred Payment, Failure to Pay**. The State Board also voted to waive **1B SBCCC 200.3(c)(9) – Establishing Multi-Campus Centers**. The State Board adopted the temporary amendments and the waiver to give colleges additional flexibility in responding to the impacts associated with the COVID-19 outbreak.

- **Temporary Amendment of 1C SBCCC 300.2 – Evaluation of Presidents**
  - This change extends the reporting deadline for college president evaluations from June 30 to August 31.
- **Temporary Amendment of 1E SBCCC 200.2 – Time Due, Deferred Payment, Failure to Pay**
  - This change gives colleges the ability to enroll or distribute an academic credential to a student with an outstanding balance if the college determines that the balance is due to a COVID-19 related reason.

- **Waiver of 1B SBCCC 200.3(c)(9) – Establishing Multi-Campus Centers**
  - Colleges must maintain minimum budget FTE numbers at multi-campus centers (MCCs) to continue to receive MCC funding. Due to COVID-19, colleges have moved a large portion of their instruction online. For MCCs, online-only instruction is not counted in budget FTE numbers. Colleges may have other COVID-19 related reasons for temporary drops in budget FTE counts at MCCs as well. Waiving this provision would allow colleges to maintain the same level of MCC funding in Fiscal Year 2020-2021.

The temporary amendments and the waiver will become effective on 20 April 2020. The temporary amendments will remain in place for 180 days or until rescinded by the State Board. The waiver is in place for the Fiscal Year 2020 – 2021 budget allocations. The State Board may extend these durations, if necessary. The temporary amendments will be published on the NC Community College System's website, [www.nccommunitycolleges.edu](http://www.nccommunitycolleges.edu), under "State Board Code." For your convenience, a copy of each temporary amendment is attached to this memorandum.

**CC20-032**  
**E-mail Copy**

Attachments

*1C SBCCC 300.2 is temporarily amended as follows:*



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

3  
4                                   **CHAPTER C. PERSONNEL**

5  
6                                   **SUBCHAPTER 300. EMPLOYMENT / HIRING PRACTICES**

7  
8   **1C SBCCC 300.2 EVALUATION OF PRESIDENTS**

9   (a) Methodology and Instrumentality. Each local board of trustees shall evaluate the  
10       performance of its president annually. The evaluation instrument and methodology  
11       shall be selected by the local board, but the evaluation shall, at a minimum, include  
12       the following categories:

13       (1) General administration;

14       (2) Relationships including:

15           (A) Internal relationships with faculty, staff, students, and trustees; and,

16           (B) External relationships with business and industry, the media, governmental  
17           bodies, and the general public;

18       (3) Personal attributes;

19       (4) Personnel administration;

20       (5) Fiscal and facilities administration; and,

21       (6) Academic administration.

22   (b) Reporting Requirements. Prior to ~~June 30~~ August 31 of each year, each college board  
23       of trustees shall, in writing, notify the State Board of the following:

24       (1) The time period for which its president was evaluated and the date the evaluation  
25       was completed;

26       (2) Description of the methodology used for the evaluation;

27       (3) Certification that the evaluation included a written assessment of the president's  
28       performance in each of the categories identified in Paragraph (a) of this Rule;

29       (4) Certification that the full board received a copy and discussed the evaluation  
30       results and the results were discussed with the president;

- 1 (5) Certification that the full board received a copy of and reviewed the president's  
2 contract if the president has a contract;
- 3 (6) A listing of board members in attendance at the meeting when the president's  
4 evaluation was conducted; and
- 5 (7) Certification that appropriate action, as defined by the local board, has been taken  
6 if the president's performance is less than satisfactory in any of the categories  
7 identified in Paragraph (a) of this Rule.
- 8 (c) If the president has a contract, local boards of trustees shall note in the meeting  
9 minutes that they have reviewed the president's contract.

10  
11 *History Note: Authority G.S. 115D-5; 115D-20;*

12 *Eff. September 1, 1993;*

13 *Amended Eff. [October 1, 2018](#), October 1, 2006.*

14 *Eff. [November 5, 2019](#)*

15 *Temporary Amendment Eff. April 20, 2020.*

1E SBCCC 200.2 is temporarily amended as follows:



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

3  
4                   **CHAPTER E. STUDENT TUITION AND FEES**

5  
6                   **SUBCHAPTER 200. GENERAL PROVISIONS**

7  
8   **1E SBCCC 200.2 Time Due, Deferred Payment, Failure to Pay**

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

16 (1) Directly paying the college.

17 (2) Demonstrating to the college's satisfaction that the student is eligible for financial  
18 aid or other third-party payment.

19 (3) Entering into a deferred payment plan authorized by 1E SBCCC 200.2(b).

20 (4) Providing evidence of eligibility for a tuition or registration fee waiver consistent  
21 with 1E SBCCC 800.

22 ~~(5) For students unable to complete one or more Spring 2020 course sections due to~~  
23 ~~circumstances arising from the COVID-19 outbreak, a college may apply the~~  
24 ~~tuition, registration fees, and other fees paid by the student for those course~~  
25 ~~sections to offset the tuition, registration fees, and other fees for course sections~~  
26 ~~the student enrolls in during the Summer 2020, Fall 2020, or Spring 2021 terms.~~

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

30 (b) Deferred Payment. The college may, with approval of the board of trustees, prescribe  
31 written procedures to permit short-term deferred payment or payment in installments;

*1E SBCCC 200.2 is temporarily amended as follows:*

1 provided, however, that payment in full is due by the end of the academic term. For  
2 the purposes of this section, "short term" is defined as a period that does not extend  
3 beyond the last day of the academic term.

4 (c) Failure to Pay. Unless otherwise prohibited by law, colleges may not enroll or  
5 distribute an academic credential to a student with an outstanding balance for tuition  
6 or registration fees except under the following circumstances:

7 (1) The college anticipates that the outstanding balance will be paid using pending  
8 financial aid;

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

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

16 (4) A student is classified as a captive or co-opted student pursuant to 1D SBCCC  
17 700.98(a); or

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

21 (6) The college, in its discretion, determines that the outstanding balance is due to a  
22 COVID-19 related reason.

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

28  
29 *History Note:* Authority G.S. 115D-5; G.S. 115D-39;

30 Eff. [May 16, 2014](#);

31 Amended Eff. [February 1, 2015](#).

*IE SBCCC 200.2 is temporarily amended as follows:*

- 1                    *Temporary Amendment Eff. [March 19, 2020.](#)*
- 2                    *Temporary Amendment Repealed Eff. [April 17, 2020.](#)*
- 3                    *Temporary Amendment Eff. April 20, 2020.*

**STATE BOARD OF COMMUNITY COLLEGES**  
**Proposed Waiver of 1B SBCCC 200.3(c)(9) – Establishing Multi-Campus Centers**

**Authority**

The State Board can waive provisions of the Code to address unforeseen circumstances. Unlike permanent rulemaking, waivers do not have notice and public comment requirements (1A SBCCC 200.3).

**Code Provision at Issue**

*1G SBCCC 200.3(c)(9) – Establishing Multi-Campus Centers*

(c) Establishment and Maintenance. To establish and maintain an MCC designation, colleges must satisfy all of the following criteria:

(9) The MCC must enroll a minimum of 300 (curriculum, occupational extension, or basic skills) budget FTE via traditional, blended, or hybrid instruction originating from and delivered at that MCC location. If an MCC drops below the minimum budget FTE (Level 1 MCC minimum is 300 and Level 2 MCC minimum is 1,201), the System Office will provide the college president with a written notification that this drop occurred after that year's budget allocations are approved by the State Board. If the MCC's budget FTE remains below the minimum in the subsequent fiscal year, for a Level 1 MCC, the budget allocation for that MCC will be reduced by fifty percent (50%), and for a Level 2 MCC, the budget allocation will be reduced by 50% of the difference between Level 2 and Level 1 funding. If a Level 2 MCC's budget FTE continues to remain below the minimum in the third fiscal year, the MCC will be recategorized as a Level 1 MCC and its budget allocation will be decreased to the Level 1 funding. If a Level 1 MCC's budget FTE continues to remain below the minimum in the third fiscal year, the MCC will no longer be designated as an MCC, and its budget allocation will be eliminated. A college must follow the MCC approval process to re-establish an MCC in any future year.

**Reasons for the Waiver**

Due to COVID-19, colleges have moved most classes to online-only delivery. There is a strong likelihood that all summer classes will be moved to online-only. The rule above does not allow online-only classes to count towards an MCC's minimum budget FTE count. Waiving part (c)(9) of this rule would allow colleges to proceed with online-only classes without being penalized for dropping below the MCC minimum budget FTE count. Some colleges may also show a drop in budget FTE at their MCCs due to other COVID-19 related reasons.

Currently, if a MCC drops below a minimum budget FTE level in one fiscal year, the college receives a "warning" notice. If the MCC stays below the minimum budget FTE level in the next fiscal year, the college's budget allocation for the MCC is reduced. Waiving this provision would prevent colleges from receiving "warning" notices and losing MCC funding due to declines in budget FTE in the upcoming budget allocations for fiscal year 2020-2021.

### **Conditions and Effects of the Waiver**

The waiver would only apply to the upcoming budget allocations for the 2020-2021 fiscal year. The System Office would restart the process of evaluating MCC budget FTE numbers towards the end of the 2020-2021 fiscal year to determine budget allocations for the 2021-2022 fiscal year.

If a college was sent a “warning” notice after budget allocations for fiscal year 2019-2020 that their MCC enrollment dropped below a minimum level, the college will still carry this “warning” status to the next MCC budget FTE evaluation. Therefore, if a MCC remains below the minimum budget FTE level during fiscal year 2020-2021, the college would lose MCC funding as laid out in the rule above in budget allocations for fiscal year 2021-2022.