

STATE BOARD OF COMMUNITY COLLEGES
Isothermal Community College Tuition Surcharge

Request: The State Board of Community Colleges is asked to approve up to a thirty-three and one-third percent (33 1/3%) tuition surcharge, as authorized by G.S. 115D-39.1, for Isothermal Community College's new Agribusiness and Hospitality and Tourism programs.

Background: G.S. 115D-39.1 provides that "a community college may, with the approval of the State Board of Community Colleges:

- (1) Implement a tuition surcharge of up to thirty-three and one-third percent (33 1/3%) of the statewide tuition rate to fund a new instructional program that is necessary to attract industry to the area, and
- (2) Use the proceeds of an endowed scholarship, consistent with the terms of the endowment, to offset the cost of the tuition charge."

To qualify, the endowed scholarship must be in excess of \$5,000,000. The statute also requires that all students enrolled in the new program, except for students for whom tuition and registration are waived by law or regulation, be charged the tuition surcharge. The funds collected from the endowment shall be deposited into an unrestricted institutional fund account at the community college.

Rationale: Isothermal Community College is starting an Agribusiness program and a Hospitality and Tourism program to help attract industry to the area. These programs are particularly needed with the advent of the Tryon International Equestrian Center and other projected job increases in these areas. Given the college's tight budget, it believes this surcharge is necessary to initiate and grow these new programs. The surcharge will be covered by an endowed scholarship and will not impose additional out-of-pocket costs on the students in the program. This endowed scholarship currently has approximately \$13 million in the corpus. In support of this request, Isothermal CC submitted the following documentation:

- Copy of letter from John Condrey, Chair of Isothermal Board of Trustees, acknowledging that the Board passed a motion at its last meeting requesting this surcharge authority.
- Copy of the pertinent provisions of the Trust of Martha Jane Powers indicating the bequest is to be used for scholarships at Isothermal CC.
- A copy of the most recent bank statement indicating the amount available in the trust.
- Letters from SACSCOC indicating approval of the Agribusiness and Hospitality & Tourism programs.
- Additional information about projected new jobs from the NC Restaurant and Lodging Association and information about the Tryon International Equestrian Center.

Contact Person:

Jennifer Haygood, Executive Vice President and Chief Financial Officer