

**STATE BOARD OF COMMUNITY COLLEGES
Service Agreement for Community College Grant Program**

Request: The State Board is asked to approve a 2013-2014 contract with the North Carolina State Education Assistance Authority (NCSEAA) for an amount not to exceed \$169,000 for the purpose of administering the North Carolina Community Colleges Grant Program.

Rationale for Contract: G.S. 115D-40.1(c) states “The State Board of Community Colleges shall adopt rules and policies for disbursement of the need-based financial assistance. The State Board may contract with the State Education Assistance Authority for administration of these financial assistance funds.”

On July 16, 1999, the State Board approved policies for the North Carolina Community Colleges Grant Program which stated that “The State Board of Community Colleges will contract with the North Carolina State Education Assistance Authority (NCSEAA) to administer the financial aid program. Procedures for administering the program will be developed by the NCSEAA and the North Carolina Community College System (NCCCS) Office.” As such, since 1999 the State Board of Community Colleges has approved an annual contract with the NCSEAA.

Method of Procurement: In accordance with the practice of the State of North Carolina, there is no requirement for competition or approval by outside purchasing authorities for contracts between state agencies.

Contract Amount and Time Period: The total contract shall not exceed one percent of the funds made available for the North Carolina Community Colleges Grant Program. The amount available for 2013-2014 is \$16,900,000. Therefore, the total contract shall not exceed \$169,000 for the period July 1, 2013 through June 30, 2014.

Fund Availability: The contract will be partially supported by the interest earned on the Community College Grant Program with the balance of the contract supported by State General Fund appropriations.

Contact Person:

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and Chief Financial Officer