

NUMBERED MEMO CC24-015

TO: Members of the State Board of Community Colleges, Chairs of the Community College Boards of Trustees, Community College Presidents, Chief Academic Officers, Chief Admissions Officers, Basic Skills Directors, Business Officers, Continuing Education Officers, Customized Training Directors, Chief Financial Officers, Financial Aid Officers, Personnel Directors, Student Development Administrators, Public Information Officers, Registrars, & Other Interested Parties

FROM: Tawanda Foster Artis, *NCCCS General Counsel*

SUBJECT: Proposed Amendment of 1G SBCCC 400.2 Definitions

DATE: April 23, 2024

The State Board of Community Colleges has initiated the rulemaking process to amend **1G SBCCC 400.2 Definitions**. The proposed amendment would provide definitions of the types of findings and reports that result from compliance reviews. The proposed amendment is published on the NC Community College System's website, www.nccommunitycolleges.edu/sbcccode. For your convenience, a copy of the proposed rule, with the changes indicated, is attached to this memorandum. Strikethroughs indicate deletions of existing language and underlines indicate additions of language.

Any member of the public has the right to submit written comments on the proposed rule. Please note that any person who submits public comments on behalf of their community college should comply with their college's local process for submitting comments on a proposed rule. **Written comments on the rule must be received by no later than 5:00 p.m. on May 23, 2024.** Any member of the public has the right to request a hearing on the proposed rule. **Requests for a hearing must be received by no later than 5:00 p.m. on May 8, 2024.**

Written comments and requests for hearing shall be directed to the following address: Tawanda Foster Artis, 5001 Mail Service Center, Raleigh, NC 27699-5001 or by email to **publiccomments@nccommunitycolleges.edu**. Thank you for your attention to this matter.

CC24-015

E-mail Copy
Attachments



State Board of Community Colleges

Petition for Rulemaking Form

Date: April 23, 2024

Title, Chapter, Subchapter, and Rule Number of Rule Proposed to be Adopted, Amended, or Repealed	Amend 1G SBCCC 400.2 Definitions
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Specify whether the SBCC proposes to amend, adopt, or repeal a rule:

Adopt (new rule)	Amend (change existing rule)	Repeal (delete entire rule)
	X	

Rationale for proposed adoption, amendment, or repeal:	Amends the definitions of findings and reports that result from a compliance review.
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Proposed Effective Date of Rule	August 1, 2024
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1 State Board of Community Colleges Code
2 TITLE 1. COMMUNITY COLLEGES



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

5
6 SUBCHAPTER 400. FTE REPORTING ACCOUNTABILITY

7
8 **1G SBCCC 400.2 DEFINITIONS**

9 (a) "Compliance review" - A periodic, objective assessment of college compliance with
10 State laws and State Board rules governing the reporting of data used as the basis
11 of college budget allocations as well as the charging and waiving of tuition and
12 registration fees, as defined in 1E SBCCC 100.1.

13 (b) "High Risk" –

14 (1) Course sections in which the majority of students receive a tuition or registration
15 fee waiver as provided under Subchapter 800 of Title 1, Chapter E;

16 (2) Course sections provided completely asynchronously online; or

17 (3) Course sections held in facilities that are not owned or under long-term lease by
18 the college.

19 ~~(c) "Material" or "Material finding" - A finding is material if the number of FTE for which~~
20 ~~documentation does not satisfy the conditions listed in 1G SBCCC 400.3(c)(1) exceeds~~
21 ~~one percent of the sample reviewed for a particular programmatic area (Curriculum,~~
22 ~~Continuing Education, and Basic Skills).~~

23 (c) Findings and Reports

24 (1) No findings – A college shall receive a final report of no findings when the
25 conditions listed in 1G SBCCC 400.3(c)(1) are satisfied and the number of
26 incorrectly reported hours for FTE do not exceed one percent of the sample in a
27 particular programmatic area (Curriculum, Continuing Education, and College and
28 Career Readiness – Basic Skills).

29 (2) Coaching Letter – A college may receive a coaching letter which identifies risk
30 areas found during the compliance review and includes recommendations for
31 improvement.

32 (3) Minimal Finding – A finding is minimal when the conditions listed in 1G SBCCC
33 400.3(c)(1) are not satisfied and the number of incorrectly reported hours for FTE
34 exceed one percent but does not exceed five percent of the sample of records
35 reviewed for a particular programmatic area (Curriculum, Continuing Education, and
36 College and Career Readiness – Basic Skills).

37 (4) Material Finding – A finding is material when the conditions listed in 1G SBCCC
38 400.3(c)(1) are not satisfied and the number of incorrectly reported hours for FTE
39 exceed five percent of the sample reviewed for a particular programmatic area
40 (Curriculum, Continuing Education, and College and Career Readiness – Basic
41 Skills). A material finding will result in a reversion of funds.

42 (5) Subsequent Reviews – A college with minimal finding may be required to undergo
43 a compliance review the following fiscal year for the program area/areas in which
44 the findings occurred. A college with a material finding shall be required to undergo
45 a compliance review the following fiscal year for the program area/areas in which
46 the findings occurred.

47 (d) “Statistically valid sample” – A sample of course section records that provides a
48 ninety-five percent (95%) confidence level that the sample is representative of the
49 relevant population of course section records.

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51 *History Note: Authority G.S. 115D-5(m)*

52 *Eff. [November 1, 2017](#).*

53 *Amended Eff. _____*