REGULATIONS FOR ADMINISTERING GRANTS TO STUDENTS ATTENDING CERTAIN PRIVATE EDUCATION INSTITUTIONS

A Program of the State of North Carolina
Administered by the State Education Assistance Authority
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PART I

SHORT TITLE, PURPOSE AND DEFINITIONS

.0100. Short Title. The Regulations for Administering Grants to Students Attending Certain Private Education Institutions program may hereinafter be cited by the Authority, and are referred to as the “Program Regulations.”

.0101. Scope. The Program was created by the General Assembly in 2003 to aid eligible students attending certain private institutions of higher education located within North Carolina. As mandated by G.S. §116-43.5(c), the Authority administers the Program pursuant to these Regulations and as directed by the General Assembly from time to time through the appropriations process. Funding of the Grants is contingent each year upon appropriations made available to the Authority by the General Assembly. The Program provides grants to Students in a Matriculated Status, as well as Students who have a bachelor’s degree and are pursuing a program of study that leads to licensure as a teacher or a nurse.

.0102. Definitions. Unless the context clearly indicates some other meaning, the capitalized words and terms below shall have the following meanings:

(1) “140 Credit Hours” means a Student’s total number of completed credit hours of all regular session degree-creditable courses taken at the Approved Institution, including repeated courses, failed courses, courses dropped after the official last day drop a course, and all transfer credit hours accepted by the Approved Institution. Excluded from the credit hour count are credit hours earned through the College Board AP Program and College-Level Examination Program or similar programs, credit hours earned through institutional advanced placement, course validation, or any similar procedure for awarding course credit hours, and credit hours earned in summer sessions.

(2) “Academic Year” means a combination of school terms consisting of two semesters, two trimesters, or the equivalent thereof, beginning with the fall school term of any year.
(3) “Act” means G.S. §116-43.5 of the General Statutes of North Carolina and any revision or extension thereof, and any subsequent budget or appropriations act affecting the Program.

(4) “Administrative Agreement” means the agreement, in a form acceptable to the Authority, by which an Approved Institution agrees to assist the Authority in administering the Program in compliance with the Act and the Program Regulations.

(5) “Approved Institution” means a nonprofit, educational institution with a Main Permanent Campus located in this State that satisfies all of the following:
(a) is not owned or operated by the State of North Carolina or by an agency or political subdivision of the State or by any combination thereof;
(b) is accredited by the Southern Association of Colleges and Schools under the standards of the College Delegate Assembly of the Association;
(c) awards a postsecondary degree as defined in G. S. § 116-15;
(d) its students are not eligible for a similar State grant under another State program; and
(e) has executed an Administrative Agreement.

(6) “Authority” means the State Education Assistance Authority, a political subdivision of the State of North Carolina.

(7) “Authorized School Official” means the person who is designated by the chief executive officer of the Approved Institution to administer the Program for the Approved Institution.

(8) “Certification Date” means the date on which an Approved Institution certifies Students as qualifying for the Grants for the applicable Academic Year. The Certification Date for the Academic Year is the last day of the spring term.

(9) “Full-time Status” means with respect to a Student in a Matriculated Status, that such student is enrolled for twelve or more credit hours each semester and, with respect to a Student who is not in a Matriculated Status, that such student is enrolled for twelve or more undergraduate credit hours each semester.

(10) “Grant” means a grant provided to a Student by the Program.

(11) “Matriculated Status” means an institutionally recognized first-time candidate for either an associate or baccalaureate degree.
(12) “Main Permanent Campus” means a campus that is owned by the Approved Institution that provides permanent on-premises housing, food services, and classrooms with full-time faculty members and administration that engage in postsecondary degree activity as defined in G.S. § 116-15.

(13) “Part-time Status” means with respect to a Student in a Matriculated Status, that such student is enrolled for at least nine credit hours but less than twelve credit hours each semester and, with respect to a Student who is not in a Matriculated Status, that such student is enrolled for at least nine undergraduate credit hours but less than twelve undergraduate credit hours each semester.

(14) “Program” means the Grants to Students Attending Certain Private Education Institutions program as created and authorized by the Act.

(15) “Residence Manual” means the most current edition of A Manual to Assist the Public Higher Education Institutions of North Carolina in the Matter of Student Residence Classification for Tuition Purposes, containing the definitions of residency for tuition purposes as adopted from time to time by the Board of Governors of The University of North Carolina.

(16) “State” means the State of North Carolina.

(17) “Student” means a person who qualifies as a North Carolina resident for tuition purposes under G.S. § 116-143.1 or G.S. § 116-143.3 and the Residence Manual and is (a) enrolled in a Matriculated Status in an Approved Institution or (b) has a bachelor’s degree and is enrolled in an Approved Institution in a program that will result in licensure as a teacher or a nurse and is enrolled in an undergraduate class.
PART II

REQUIREMENTS FOR STUDENTS TO RECEIVE GRANTS

.0200. General Rule. A Student qualifies to receive a Grant for an Academic Year if, on the Certification Date for that Academic Year, the Student:

(a) is enrolled in Full-time Status or Part-time Status in an Approved Institution;
(b) is not eligible for a similar grant under another State program for the same Academic Year;
(c) has either met the registration requirements of the Military Service Act or is excused therefrom, in accordance with G.S. § 143B-421.1;
(d) is not incarcerated in a State or federal correctional facility for committing (i) a Class A, B, B1, or B2 felony or (ii) a Class C through I felony and is not eligible for parole or release within 10 years; and
(e) is certified by the Approved Institution as eligible to receive a Grant.

.0201. Remedial or Developmental Courses. A Student may receive a Grant through the Program if some of the Student's credits represent remedial or developmental courses or are undertaken to meet admission conditions of the Approved Institution. However, such remedial, developmental courses or admission conditions must be required by the Approved Institution as part of the regular instructional program for such Student.
PART III

INSTITUTIONAL REQUIREMENTS; APPLICATION,
CERTIFICATION AND REFUND PROCEDURES

.0300. Administrative Agreement Required. In order to certify Students as qualifying for
Grants and performing such functions under these Regulations as necessary to assist the
Authority in administering the Program, an Approved Institution shall enter into an
Administrative Agreement with the Authority, by which it agrees to provide such assurances,
certifications, performances, reports, information, and documents as may be required by the
terms of the Agreement, these Regulations, or upon request of the Authority. Each
Administrative Agreement between the Authority and an Approved Institution, upon proper
execution, shall remain in effect until it is terminated pursuant to the terms of the Agreement.

.0301. Amount of Grant Payable.
(a) Amount of Grants. The General Assembly determines the maximum amount of a Grant
payable to each Student who qualifies for a Grant and appropriates the funds for the
Program for each Academic Year.
(b) Insufficient Funds for Maximum Grants. In the event there are insufficient funds to
provide a maximum Grant to each Student who qualifies for a Grant for an Academic
Year, each Student shall receive a pro rata share of funds.
(c) Amount of Grant for Part-time Status Students. Part-time Status Students shall receive
seventy-five percent (75%) of the maximum Grant that is awarded to Full-time Status
Students.
(d) Amount of Grant for Students Completing 140 Credit Hours. The amount of a Grant of a
Student who is in Matriculated Status and who has completed 140 Credit Hours or more
than one hundred and ten percent (110%) of all counted credit hours required for the
degree shall be reduced by twenty-five percent (25%).
.0302. Application and Certification Procedures.

(a) Method of Applying for Grant. In order to be considered for a Grant, a Student must complete an application from the Approved Institution that the Student attends or plans to attend and submit it to the Authorized School Official at such Approved Institution. The application must be signed and submitted prior to the Certification Date.

(b) Period Covered by an Application for the Grant. An application for a Grant may be submitted for only one Academic Year at a time.

(c) Review of Grant Applications by Approved Institutions. The Authorized School Official is responsible for reviewing each Grant application. The Authorized School Official shall maintain records, consult with applicants as may be necessary, and perform such acts and make such inquiries as may be necessary in order to determine eligibility of each applicant to receive a Grant in accordance with these Regulations. If the Approved Institution determines that an applicant does not qualify to receive a Grant for an Academic Year for which a Grant has been requested, the Authorized School Official shall notify the applicant of this determination in writing.

(d) Certification of Grants by an Approved Institution. The Authorized School Official shall certify to the Authority, in a manner and form acceptable to the Authority that each Student requesting a Grant qualifies to receive a Grant under the Act and the Program Regulations.

(e) Method of Disbursement. The Authority will disburse the Grant directly to each Student only after (i) the Student completes the Academic Year to which the Grant relates and (ii) receiving certification from the Student’s Approved Institution.

.0303. Inspection of Records. Each Approved Institution shall make all Program records available to the Authority for inspection upon request. All Program records must be retained by the Approved Institution for a period of five years from the close of the grant year or until any audit exceptions have been resolved, whichever is longer.

.0304. Refund of Grants to the Authority. If an Approved Institution erroneously certifies a Student for a Grant in violation of these Regulations, or the Authority erroneously disburses a Grant that was not properly due a Student under these Regulations, then upon
notification of such erroneous or invalid disbursement, the Student shall immediately refund the full amount of such Grant to the Authority.

.0305. Institutional Autonomy. Nothing in these Regulations shall be construed to interfere with the autonomy of an Approved Institution to determine admissibility of students, to control its own curriculum, philosophy and purpose, or to administer any of its other programs.
PART IV
PROGRAM ADMINISTRATION

.0400. The Authority as Program Administrator. The Authority is hereby authorized and
directed to develop, adopt and implement such policies, procedures and forms as may be
necessary from time to time in order for the Authority to administer the Program in
accordance with these Regulations and in compliance with applicable State law.

.0401. Interpretive Guidance. The Authority may, from time to time, issue guidance for
interpreting these Regulations in the form of policy memoranda or questions and answers.
The Authority shall disseminate such interpretive guidance to all Approved Institutions. All
interpretive guidance shall have the force and effect of these Regulations pursuant to Rule
.0400. In the event of a conflict between any interpretive guidance and the Act, the Act shall
be controlling.

I, Steven E. Brooks, Executive Director and Secretary of the Board of Directors of the
Authority, DO HEREBY CERTIFY that the foregoing is a true and exact copy of the
Regulations for Administering the Grants to Students Attending Certain Private Education
Institutions as amended and revised by the Board of Directors of the Authority on December
7, 2007, and as approved as final pursuant to the authority delegated to me; these
Regulations are in full force and effect and have not been further amended or rescinded.

WITNESS my hand and seal of the Authority, this the 13th day of December, 2007.

[Signature]

Steven E. Brooks
Executive Director