



# Rules Governing the Medical Students Grant Program

A Program of the State of North Carolina  
Administered by the State Education Assistance Authority  
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Adopted by the Board of Governors September 18, 2009

## Table of Contents

### CHAPTER 1

<b>SHORT TITLE, PURPOSE AND DEFINITIONS.....</b>	<b>1</b>
.0100. Short Title.....	1
.0101. Purpose.....	1
.0102. Definitions.....	1

### CHAPTER 2

<b>ELIGIBILITY REQUIREMENTS.....</b>	<b>3</b>
.0200. General Rule.....	3

### CHAPTER 3

<b>INSTITUTIONAL REQUIREMENTS; AMOUNT OF GRANT AND REFUND PROCEDURES .....</b>	<b>4</b>
.0300. Participation Agreement Required.....	4
.0301. Responsibilities of Approved Institutions.....	4
.0302. Reporting Requirements for Approved Institutions.....	4
.0303. Amount of Grants.....	5
.0304. Grant Disbursement Procedures.....	5
.0305. Use of Grants.....	5
.0306. Audit Requirements.....	5
.0307. Inspection of Records. ....	6

### CHAPTER 4

<b>INTERPRETIVE GUIDANCE.....</b>	<b>7</b>
.0400. The Authority as Program Administrator.....	7
.0401. Interpretive Guidance.....	7

## Chapter 1

### Short Title, Purpose and Definitions

#### **.0100. Short Title.**

The Rules Governing Medical Students Grant Program may hereinafter be cited as the “Program Rules.”

#### **.0101. Purpose.**

The Program was created by the 2009 General Assembly to modify the long-standing practice of providing State grants to medical students who are North Carolina residents and who enroll in and attend medical school at either Duke University or Wake Forest University. Each Approved Institution plays a role in administering the Program on behalf of the students that it enrolls. Funds for the support of the Program are contingent each year upon appropriations made available to the Board of Governors by the General Assembly. The Authority administers the Program on behalf of the Board of Governors.

#### **.0102. Definitions.**

Unless the context clearly indicates some other meaning, the following capitalized words and phrases shall have the corresponding meanings in these Program Rules:

- (a) “*Academic Year*” means a combination of two semesters, beginning with the fall semester of any year and excluding summer.
- (b) “*Act*” means Section 116-21.6 of the General Statutes of North Carolina and any revision or extension thereof, and any subsequent budget or appropriations act affecting the Program.
- (c) “*AHEC*” means North Carolina Area Health Education Centers.
- (d) “*Approved Institution*” means Duke University and Wake Forest University.
- (e) “*Authority*” means the State Education Assistance Authority, a political subdivision of the State, created under Article 23 of Chapter 116 of the North Carolina General Statutes.

- (f) “*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.
- (g) “*Board of Governors*” means the Board of Governors of The University of North Carolina.
- (h) “*Grant*” means the amount of funds awarded annually to a student under the Program.
- (i) “*Participation Agreement*” means the agreement, in a form acceptable to the Authority, by which an Approved Institution agrees to administer the Program in compliance with the Act and the Program Rules on behalf of the students at the Approved Institution.
- (j) “*Program*” means the Medical Students Grant Program.
- (k) “*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* as adopted from time to time by the Board of Governors.
- (l) “*State*” means the State of North Carolina.
- (m) “*State Auditor*” means the Office of the Auditor of the State of North Carolina.

## **Chapter 2**

### **Eligibility Requirements**

**.0200. General Rule.**

A student qualifies to receive a Grant if the student:

- (a) is enrolled and attending medical school at an Approved Institution;
- (b) is a North Carolina resident for tuition purposes under G.S. § 116-143.1 and the Residence Manual;
- (c) has complied with the registration requirements of the Military Service Act or is exempt from the registration requirements; and
- (d) is certified by the Approved Institution as eligible to receive a Grant.

## **Chapter 3**

### **Institutional Requirements; Amount of Grant and Refund Procedures**

#### **.0300. Participation Agreement Required.**

To participate in the Program, the Approved Institution shall sign a Participation Agreement with the Authority. Each Participation 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. Responsibilities of Approved Institutions.**

An Approved Institution shall be responsible for:

- (a) designating the Authorized School Official as the primary contact between the Approved Institution and the Authority and charging that person with the primary responsibility for carrying out the administrative and fiscal provisions of the Participation Agreement;
- (b) determining residency status for tuition purposes;
- (c) certifying to the Authority that students meet the eligibility requirements for a Grant under these Program Rules; and
- (d) complying with the Act and the Program Rules, including without limitation taking actions to encourage recipients in the practice of primary care and to document the number of graduates who either enter residencies or locate their practices in North Carolina.

#### **.0302. Reporting Requirements for Approved Institutions.**

- (a) *Compliance with G.S. § 143-613.* Approved Institutions shall make reports required under G.S. § 143-613 to AHEC.
- (b) *AHEC.* Approved Institutions shall provide AHEC each Academic Year:
  - i. data regarding Grant recipients who enter primary care residencies and clinical training programs; and
  - ii. the specialty practices of Grant recipients five years after graduation.

**.0303. Amount of Grants.**

The General Assembly determines the maximum amount of a Grant payable to each student who qualifies for the Grant and appropriates the funds for the Program for each Academic Year.

**.0304. Grant Disbursement Procedures.**

- (a) *Method of Disbursement to the Approved Institution.* The Authority shall disburse the Grants by master check or by electronic funds transfer to a clearing account maintained by the Approved Institution.
- (b) *Timing of Disbursements to Students.* The Approved Institution shall post the Grant amount to each student's account within ten (10) business days after the receipt of the roster or within ten (10) business days after the beginning date of the term for which the proceeds of the Grant disbursed, whichever is later.
- (c) *Refund Procedure.* If an Approved Institution determines that a student is ineligible for the Program or has withdrawn from the Approved Institution, the full amount (100%) of the Grant shall be returned within thirty (30) days of the date the student becomes ineligible or withdraws.
- (d) *Certification.* The Approved Institution shall certify each student's eligibility for the Program and certify that the Grant funds received by master check or electronic funds transfer have been credited to the student's account.
- (e) *Policies.* The Authority is hereby authorized to develop, adopt and implement such policies and procedures as may be necessary from time to time to disburse Grant funds in accordance with the Program Rules and applicable requirements of State law.

**.0305. Use of Grants.**

Grants shall be used only as student financial assistance for payment of the student's cost of instruction in the medical program of the Approved Institution.

**.0306. Audit Requirements.**

An Approved Institution shall be subject to examination by the State Auditor and the Authority to determine whether the Approved Institution has complied with the terms of the Participation Agreement and the applicable provisions of these Program Policies.

**.0307. 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 all audit exceptions have been resolved, whichever is longer.



## **Chapter 4**

### **Interpretive Guidance**

#### **.0400. The Authority as Program Administrator.**

The Authority is hereby authorized and directed to develop, adopt and implement such policies, procedures and forms as necessary from time to time in order for the Authority to administer the Program in accordance with the Act and the Program Rules.

#### **.0401. Interpretive Guidance.**

The Authority may issue guidance for interpreting the Program Rules in the form of policy memoranda or questions and answers. The Authority shall disseminate such interpretive guidance to the Approved Institutions. All interpretive guidance shall have the force and effect of the Program Rules pursuant to Rule .0400.