

April 8, 2026

Patriot Foundation
North Carolina Patriot Star Family Scholarship Program
Reporting Period: 1 Jan - 31 Dec 2025

1) Introduction

- a) Patriot Foundation (PF) operates as a contractor for the University of North Carolina (UNC), and receives funds appropriated under Session Law 2021-180, as modified by SL 2022-6, SL 2022-71, and SL2024-1, to establish and administer scholarships under the Patriot Star Family Scholarship Program.
- b) This report is provided to the University of North Carolina as the disbursing agency, pursuant to provisions of the NCAC and the above cited legislation, for further distribution to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division as required.
- c) PF fiscal year is the calendar year; this report provides information on state funds received during CY 2025.
- d) Single audit will be forwarded when completed, not later than 31 October 2026.

2) Funding Overview

- a) In CY 2025, the Patriot Foundation retained funds from NC BY 23-24 (remaining funds from MCSF \$300,000 reallocation June 2024 to be encumbered by end of BY 24-25), NC BY 24-25, and received new funds from NC BY 25-26.
- b) Funds retained from CY 2024. At the start of CY 2025, PF had on hand \$56,317.01 in Star program funds from NC BY 24-25. These funds were required to be encumbered NLT 30 Jun 2025.
- c) Funds received in CY 2025. PF received \$1,010,000.00 in funds, \$505,000 from NC BY 24-25 and \$505,000 from NC BY 25-26, prior to 31 Dec 2025.
- d) Funds expended prior to 30 Jun 2025. Between 1 Jan 2025 and the end of NC BY 24-25, PF utilized \$554,200 in scholarship funds and spent \$38,287 on administrative expenses. This expended all funds retained at the start of the calendar year.
- e) Funds expended between 1 Jul – 31 Dec 2025. In the second half of CY 2025, PF utilized \$451,825 in scholarship funds and spent \$16,770 on administrative expenses. This expended all remaining funds carried over from BY and leaves us

with \$36,150 of Star Program funds on hand from NC BY 25-26, to be encumbered by 30 Jun 2026.

3) Program Administration

- a) For the CY 2025, PF contracted with a private scholarship administration firm to handle scholarship disbursements to educational institutions. As of 1 Jan 2025, NCSEAA no longer handles disbursements for the Star Program. Programmatically and financially, this has been a positive move for the Foundation. This change significantly reduced administrative expenses, as seen in the drop from \$38,287 to \$16,770 from the first half to the second half of CY 2025. The final NCSEAA payment was made in Jan 2025.
- b) We remain confident that we have developed a system that allows us to serve as broad a constituency as possible, verify compliance with state requirements, efficiently collect and manage data, protect user privacy, and scale as necessary.

4) Results

- a) During calendar year 2025, the Patriot Foundation spent \$1,061,082 in Star program funds. Of this, \$55,057 (5.2%) was spent on operating expenses.
- b) For the SP25 and FA25 semesters, we administered \$1,113,425 in scholarships, funding 538 semesters at an average of \$2,069 apiece. This is down from \$2,171 per semester per recipient last year.
- c) Recipients for this calendar year represented 51 of North Carolina's 100 counties.
- d) These scholarships were used at 56 different institutions across the state, with about 73% of recipients in the UNC system, and the remainder split between Community Colleges and private colleges.

5) Capacity for Additional Funding

- a) We are currently administering a separate scholarship program on behalf of the state for veterans and their families, funded with non-recurring federal dollars. This program is targeted at lower income households and is focused on helping some of our more vulnerable citizens recover from COVID-related learning loss. As our outreach continues to span across the state and into counties away from large concentrations of active duty and retirees, we are finding a constituency that is larger than we can accommodate in the future as these non-recurring funds expire. The 25-26 application cycle was the first cycle that the COVID relief program did not accept new applicants. All new applicants along with returning Star Program applicants were considered for Star Program funding. The 2025-2026 cycle was the first time eligible applicants were denied scholarship assistance due to not having enough funding. There was an initial denial of over 150 eligible applicants for the

Star Program for the 25-26 cycle. We believe this program is having the effect the legislature intended, and we believe there is room to do even more.

- 6) The Point of Contact at the Patriot Foundation is Hal Weatherman, President & CEO, at hal.weatherman@patriotfoundation.org.



Amber Johnson-Carter
Scholarship Administrator
Patriot Foundation

Figure 1 Star Funds, CY 2025

CY		NC BY 24-25		NC BY 25-26		FY Total		
			BALANCE		BALANCE	Total	BALANCE	
Jan-Jun 25	Funds on hand, start of period		\$ 56,317			\$ 56,317		
	Drawn	\$ 505,000	\$ 561,317			\$ 505,000		
	Scholarships Issued	\$ (554,200)	\$ 7,117			\$ (554,200)		
	Admin Expenses	\$ (38,287)	\$ (31,170)			\$ (38,287)		
	Returned to PF (other FY)	\$ 26,000	\$ (5,170)			\$ 26,000		
	Returned to State (other FY)	\$ (945)	\$ (6,115)			\$ (945)		
	Net	\$ (62,432)		\$ -		\$ (62,432)		
	Funds on Hand, end of period		\$ (6,115)			\$ (6,115)		
Jul-Dec 25	Funds on hand, start of period			\$ -	\$ (6,115)	\$ (6,115)	\$ 56,317	\$ 56,317
	Drawn			\$ 505,000	\$ 498,885	\$ 505,000	\$ 1,010,000	\$ 1,066,317
	Scholarships Issued			\$ (451,825)	\$ 47,060	\$ (451,825)	\$ (1,006,025)	\$ 60,292
	Admin Expenses			\$ (16,770)	\$ 30,290	\$ (16,770)	\$ (55,058)	\$ 5,234
	Returned to PF (other FY)			\$ 5,860	\$ 36,150	\$ 5,860	\$ 31,860	\$ 37,094
	Returned to State				\$ 36,150	\$ -	\$ (945)	\$ 36,149
	Net	\$ -		\$ 42,265		\$ 42,265		
	Funds on Hand, end of period			\$ 36,150		\$ 36,150		