

**NORTH CAROLINA LEGISLATIVE TUITION GRANT
PROGRAM**

**ANNUAL REPORT
2009-2010**

For the period ending June 30, 2010

**Administered by
North Carolina State Education Assistance Authority
10 T.W. Alexander Drive
Research Triangle Park, North Carolina 27709**

GENERAL PROGRAM DESCRIPTION

Established by the 1975 NC General Assembly, the North Carolina Legislative Tuition Grant (NCLTG) program pays a grant to eligible undergraduate North Carolinians enrolled at an approved private institution. An appropriation of \$55,555,605 was made by the General Assembly for the 2009-2010 academic year. This amount was not sufficient to award the 35,181 NC resident students enrolled at eligible private institutions at the annual maximum approved grant of \$1,850, and was prorated to \$1,821. The net disbursement following returns from colleges totaled \$55,593,122. (See Table 1 for net disbursements per institution.) The General Assembly has appropriated \$58,269,681 for the 2010-2011 academic year.

Administration

The North Carolina State Education Assistance Authority (NCSEAA) administers the program as designated by statute. *Rules Governing the NCLTG Program (NCLTG Rules)* adopted in August 1975¹ by the Board of Directors of the NCSEAA, govern the operation of the program. The *NCLTG Rules* establish the program's definitions, terms of participation, eligibility, procedures, method of payment, refund policy, residence requirements,² and rules.

To participate in the program, an Institution³ must enter into a Participation Agreement which is executed jointly by the chief executive officers of the Institution and of NCSEAA, and sets

¹Amended December 13, 1984, July 11, 1985, August 26, 1987, October 26, 1987, September 23, 1994, February 10, 1995, August 21, 1995, February 19, 1999 and July 25, 2006.

²A *Manual to Assist the Public Higher Education Institutions of North Carolina in the Matter of Student Classification for Tuition Purposes* (current edition) is Appendix A of the *NCLTG Regulations*. The rules of eligibility regarding residency are the same as those, which govern eligibility for the payment of in-state tuition rates at North Carolina public universities and community colleges.

³“‘Institution’ shall mean an educational institution located in this State that 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 that satisfies all of the following: a. Is accredited by the Southern Association of Colleges and Schools under the standards of the College Delegate Assembly of the Association or by the New England Association of Schools and Colleges through its Commission on Institutions of Higher Education. b. Awards a postsecondary degree as defined in G. S. 116-5. c. Is not a seminary, Bible school, Bible college or similar religious institution.” [G.S. 116-22(1)]

forth the responsibilities of each party. Each Institution designates an official, known as the NCLTG Authorized School Official, to manage the program, liaise with NCSEAA and administer NCLTG awards at the Institution.

While continuing to recognize as eligible first-time, full-time undergraduate degree-seekers (known as 'Eligible Students'), the 2007 NC General Assembly expanded the eligibility to students with bachelor's degrees seeking an initial license in teaching or nursing (known as 'Licensure Students'). The General Assembly also expanded eligibility to include part-time students at a prorated award amount.

NCLTG Award Eligibility and Determination

To qualify for a NCLTG award, an Eligible Student must:

- 1) be a NC resident for the purposes of tuition under the terms and conditions of the *Residence Manual* of The University of North Carolina;
- 2) be enrolled full- or part-time at an eligible Institution;
- 3) be certified to NCSEAA by an Institution as eligible and enrolled;
- 4) be an undergraduate student seeking either a first associate or bachelor's degree;
- 5) not be enrolled in a program of study the objective of which is the attainment of a degree in theology, divinity, or religious education or in any other program of study designed for career preparation in a religious vocation; and
- 6) have complied with the registration requirements of the Military Service Act.

To qualify for a NCLTG award, a Licensure Student must:

- 1) be a resident of NC for the purposes of tuition payment under the terms and conditions of the *Residence Manual* of The University of North Carolina;
- 2) be enrolled full-time or part-time in an eligible Institution;
- 3) be certified to NCSEAA by an approved institution as eligible and enrolled;
- 4) have a bachelor's degree;
- 5) be enrolled in a program intended to result in licensure as a teacher or a nurse; and

6) have complied with the registration requirements of the Military Service Act.

Determination of eligibility for an award is made by the NCLTG Authorized School Official of the Institution where the NCLTG application is filed. The official's decision to approve or deny an award is final, subject only to any later finding by the State Auditor.

Grant Amounts and Conditions

Due to insufficient funding, the Authority prorated the 2009-2010 NCLTG award amount by reducing spring term awards. The awards were \$1,821 for full-time students (\$925 and \$896 for fall and spring, respectively), and \$1,366 for part-time students (\$694 and \$672 for fall and spring, respectively). With three terms (fall, winter and spring) full-time students at Johnson & Wales University received awards of \$617, \$617 and \$587 per respective term, and part-time students received \$463, \$463 and \$440 per respective term.

NCLTG funding depends on an annual appropriation from the NC General Assembly. When funds are insufficient to award the maximum amount to all eligible students: (1) the Board of Governors is authorized, with the approval of the Office of State Budget and Management, to transfer monies from the State Contractual Scholarship Fund program to meet the needs of the NCLTG program; and/or (2) prorate all awards to an amount that can be covered by the appropriation.

Establishment of New Off-Campus Degree Programs

The 1985 NC General Assembly required an Institution intending to establish a new off-campus degree program on or after May 14, 1985 to seek agreement to offer such instruction from other Institutions within and adjacent to the county of the intended off-campus program. The 1987 NC General Assembly required an Institution to obtain prior approval before establishing any new off-campus degree program on or after May 15, 1987. NCSEAA will rely upon an adjudication process established by the North Carolina Independent Colleges and Universities (NCICU) to resolve any dispute related to off-campus programs if one occurs.

THE 2009-2010 PROGRAM

Establishing the Maximum Award

Institutions provided NCSEAA with fall term enrollment data for undergraduate NC residents enrolled as of October 1, 2009. Based on that data, historical enrollment patterns and the appropriated funds of \$55,555,605, NCSEAA determined that full payment of the fall 2009 award amounts were warranted.

Upon receipt of spring term enrollment data, NCSEAA determined that insufficient funds remained to award the maximum grant for spring term, and amounts were prorated.

Institutional Refunds to the Authority

When an Institution discovers a grant was made to an ineligible student, the Institution refunds the grant to NCSEAA. Refunds also result from student withdrawals. Each Institution sets policies consistent with both the *NCLTG Rules* and the pro rata refund policy set by NCSEAA in its November 13, 1981 memorandum. As of June 30, 2010, the NCSEAA received refunds for the 2009-2010 academic year totaling \$556,095, and prior academic year refunds totaling \$357,215.

PRIVATE COLLEGES AND UNIVERSITIES WITH OFF-CAMPUS SITES

Sixteen Institutions administer classes at off-campus sites. For 2009-2010, 5,953 students at off-campus sites received NCLTG awards, i.e. 17% of all NCLTG recipients in total and 33% of the 18,225 NCLTG recipients at the 15 Institutions. The \$8,403,163 received by off-campus site students accounted for 15% of total net NCLTG funds awarded and 30% of the \$28,474,461 awarded at the 15 Institutions. (See Table 2, Enrolled in Private Colleges and Universities with Off-Campus Sites.)

2009-2010 Program Summary

Tables 1 and 2 summarize the program by institution and term. Totals are shown both for the net funds disbursed and the number of students aided. As of June 30, 2010, NCLTG activity for 2009-2010 can be summarized as follows:

Appropriation by General Assembly	\$ 55,555,605
Net Transfers from Refunds for Prior Years	+ <u>353,315</u>
Total Available	\$ 55,912,820
NCLTG awards (net) at 6/30/10	- 55,593,122
Transfers to 2009-10 SCSF	- <u>262,208</u>
Amount returned to the General Fund	\$ 55,590

Appendix

TABLE 1
NORTH CAROLINA LEGISLATIVE TUITION GRANT (NCLTG)
MADE TO NC ELIGIBLE AND LICENSURE STUDENTS
ENROLLED IN PRIVATE COLLEGES AND UNIVERSITIES
2009-2010

NCLTG-Eligible Institutions	'Eligible' Recipients		'Licensure' Recipients		All NCLTG Recipients		
	Headcount	Net Disbursed Funds	Headcount	Net Disbursed Funds	Total Headcount	Avg Award Amount	Total Net Disbursed Funds
Barton	890	\$1,385,706			890	\$1,557	\$1,385,706
Belmont Abbey	1,081	\$1,692,024	21	\$25,567	1,102	\$1,559	\$1,717,591
Bennett	247	\$351,114			247	\$1,422	\$351,114
Brevard	342	\$558,102	3	\$2,688	345	\$1,625	\$560,790
Cabarrus Coll. HS	255	\$341,884	42	\$48,954	297	\$1,316	\$390,838
Campbell	2,865	\$4,519,211	2	\$3,642	2,867	\$1,578	\$4,522,853
Catawba	1,016	\$1,647,786	16	\$16,563	1,032	\$1,613	\$1,664,349
Chowan	511	\$786,166			511	\$1,538	\$786,166
Davidson	386	\$694,813			386	\$1,800	\$694,813
Duke	896	\$1,595,386	82	\$77,468	978	\$1,710	\$1,672,854
Elon	1,321	\$2,285,873	1	\$925	1,322	\$1,730	\$2,286,798
Gardner-Webb	1,845	\$2,890,199	4	\$6,388	1,849	\$1,567	\$2,896,587
Greensboro	660	\$1,065,557	38	\$36,646	698	\$1,579	\$1,102,203
Guilford	1,661	\$2,405,690	31	\$36,519	1,692	\$1,443	\$2,442,209
High Point	1,164	\$1,928,092	6	\$9,351	1,170	\$1,656	\$1,937,443
Johnson & Wales	836	\$1,283,819			836	\$1,536	\$1,283,819
JC Smith	381	\$627,891			381	\$1,648	\$627,891
Lees-McRae	592	\$969,655			592	\$1,638	\$969,655
Lenoir-Rhyne	1,069	\$1,774,445	13	\$13,774	1,082	\$1,653	\$1,788,219
Livingstone	694	\$1,101,800			694	\$1,588	\$1,101,800
Louisburg	467	\$708,691			467	\$1,518	\$708,691
Mars Hill	791	\$1,242,663	3	\$2,240	794	\$1,568	\$1,244,903
Meredith	1,586	\$2,645,458	8	\$7,834	1,594	\$1,665	\$2,653,292
Methodist	1,086	\$1,683,738			1,086	\$1,550	\$1,683,738
Montreat	656	\$937,433			656	\$1,429	\$937,433
Mount Olive	2,782	\$3,863,292			2,782	\$1,389	\$3,863,292
NC Wesleyan	957	\$1,520,816			957	\$1,589	\$1,520,816
Peace	663	\$1,084,973	36	\$39,882	699	\$1,609	\$1,124,855
Pfeiffer	733	\$1,171,837	1	\$925	734	\$1,598	\$1,172,762
Queens	1,120	\$1,653,922	2	\$1,619	1,122	\$1,476	\$1,655,541
Salem	488	\$777,944	53	\$43,613	541	\$1,519	\$821,557
Shaw	1,585	\$2,502,391	1	\$925	1,586	\$1,578	\$2,503,316
St. Andrews	239	\$382,693	5	\$4,784	244	\$1,588	\$387,477
St. Augustine's	673	\$1,193,412	4	\$4,119	677	\$1,769	\$1,197,531
Wake Forest	1,121	\$1,987,681			1,121	\$1,773	\$1,987,681
Warren Wilson	144	\$232,106			144	\$1,612	\$232,106
Wingate	1,006	\$1,714,433			1,006	\$1,704	\$1,714,433
Total	34,809	\$55,208,696	372	\$384,426	35,181	\$1,580	\$55,593,122

Notes

All funds are net of returns received by June 30, 2010.

Headcounts of students are unique for the academic year. In cases of mid-year transfer students, the first school attended during the academic year is counted.

TABLE 2
NORTH CAROLINA LEGISLATIVE TUITION GRANT (NCLTG)
MADE TO NC ELIGIBLE AND LICENSURE STUDENTS
ENROLLED IN PRIVATE COLLEGES AND UNIVERSITIES WITH OFF-CAMPUS SITES
2009-2010

NCLTG-Eligible Institutions with Off-Campus Sites	Total Institutional Recipients (On- and Off-Campus Site Students)		# of Off-Campus Sites	Off-Campus Site Recipients						
				'Eligible' Students		'Licensure' Students		Off-Campus Total		
	Head-count	Avg Award Amount		Head-count	Funds	Head-count	Funds	Head-count	Avg Award Amount	Net Disbursed Funds
Belmont Abbey	1,102	\$1,559	2	221	\$350,843	15	\$20,075	236	\$1,572	\$370,918
Campbell	2,867	\$1,578	4	706	\$954,978			706	\$1,353	\$954,978
Chowan	511	\$1,538	1	21	\$21,961			21	\$1,046	\$21,961
Gardner-Webb	1,849	\$1,567	21	656	\$961,738			656	\$1,466	\$961,738
Greensboro	698	\$1,579	2	32	\$50,114	1	\$672	33	\$1,539	\$50,786
High Point	1,170	\$1,656	1	509	\$690,254	4	\$6,836	513	\$1,359	\$697,090
Lees-McRae	592	\$1,638	3	240	\$378,739			240	\$1,578	\$378,739
Mars Hill	794	\$1,568	5	133	\$188,643	3	\$2,240	136	\$1,404	\$190,883
Montreat	656	\$1,429	5	401	\$535,046			401	\$1,334	\$535,046
Mount Olive	2,782	\$1,389	6	1,631	\$2,144,303			1,631	\$1,315	\$2,144,303
NC Wesleyan	957	\$1,589	2	376	\$571,437			376	\$1,520	\$571,437
Pfeiffer	734	\$1,598	2	214	\$307,883	1	\$925	215	\$1,436	\$308,808
Shaw	1,586	\$1,578	10	672	\$1,053,450			672	\$1,568	\$1,053,450
St. Andrews	244	\$1,588	1	39	\$51,619	3	\$2,934	42	\$1,299	\$54,553
St. Augustine's	677	\$1,769	2	28	\$48,213			28	\$1,722	\$48,213
Wingate	1,006	\$1,704	1	47	\$60,260			47	\$1,282	\$60,260
Total	18,225		68	5,926	\$8,369,481	27	\$33,682	5,953	\$1,412	\$8,403,163

Notes

All funds are net of returns received by June 30, 2010.

Headcounts of students are unique for the academic year. In cases of mid-year transfer students, the first school attended during the academic year is counted.