

# **GRANTS TO STUDENTS ATTENDING CERTAIN PRIVATE EDUCATION INSTITUTIONS PROGRAM**

## **ANNUAL REPORT**

**For the period ending June 30, 2011**

**Correction submitted on  
December 5, 2011**

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

## **Background**

The North Carolina State Education Assistance Authority administers the Grants to Students Attending Certain Private Education Institutions (CPEI) pursuant to North Carolina G.S. §116-43.5 and established rules. For the 2010-2011 academic year, the General Assembly appropriated \$321,900, of which \$283,976 was awarded to 159 students who attended the two approved institutions.

## **CPEI Award Eligibility and Determination**

CPEI Grant recipients must:

- 1) have maintained at least part-time (3/4-time) enrollment for the entire academic year at an approved institution as of the certification date;
- 2) not be eligible for a similar grant under another State program for the same academic year;
- 3) have either met the registration requirements of the Military Service Act or is excused therefrom, in accordance with G. S. § 143B-421.1;
- 4) not be 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
- 5) be certified by the approved institution as eligible to receive a State Grant in accordance with the program's regulations.

## **Grant Amounts and Conditions**

For the 2010-2011 academic year, full-time recipients received grants of \$1,850; grants for students classified as three-quarter time enrollment status were prorated to 75%, \$1,388. A grants reduction of 25% was applied to students with attempted credits of 140 semester hours or more. Funds were disbursed directly to students after July 1 in accordance with G.S. §116-43.5(c).

## **2010-2011 Program Summary**

<b>Institution</b>	<b>Students Awarded</b>	<b>Amount Awarded</b>
Mid-Atlantic Christian University	58	\$103,830
The College at Southeastern	101	\$180,146
<b>Total</b>	<b>159</b>	<b>\$283,976</b>

**§ 116-43.5. State grants to aid eligible students attending certain private institutions of higher education; administrative procedure.**

(a) Definitions. – The following definitions apply in this section:

- (1) "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.
- (1a) "Licensure student" means a person who:
  - a. Has a bachelor's degree;
  - b. Is enrolled either full-time or less than full-time in a program intended to result in licensure in teaching or nursing;
  - c. Attends an institution located in the State; and
  - d. Qualifies as a resident of North Carolina in accordance with definitions of residency that may from time to time be adopted by the Board of Governors of The University of North Carolina and published in the residency manual of the Board.
- (2) "Main permanent campus" means a campus that is owned by the 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.
- (3) "Student" means a person enrolled in and attending an institution located in the State (i) who qualifies as a resident of North Carolina in accordance with definitions of residency that may from time to time be adopted by the Board of Governors of The University of North Carolina and published in the residency manual of the Board, and (ii) who has not received a bachelors degree, or qualified therefor, and who is otherwise classified as an undergraduate under such regulations as the Board of Governors of The University of North Carolina may promulgate. Qualification for in-State tuition under G.S. 116-143.3 makes a person a "student" as defined in this subdivision.

(b) Eligibility of Students. – A student is eligible for a State grant under this section for an academic year if the student is a North Carolina undergraduate student attending an institution as defined by this section and is not eligible for a similar State grant under another State program for the same academic year. A full-time North Carolina undergraduate student shall be eligible for the full amount of the State grant provided by this section. A part-time North Carolina undergraduate student who is enrolled to take at least nine hours of academic credit per semester shall be eligible for a State grant under this section calculated on a pro rata basis.

(b1) Eligibility of Licensure Students. – Each full-time licensure student who is enrolled in a program intended to result in a license in teaching or nursing shall also be eligible for the

State grant provided by this section. The State grant provided by this section shall be paid on a pro rata basis to any part-time licensure student who is enrolled to take at least nine hours of undergraduate academic credit per semester in a program intended to result in a license in teaching or nursing at an approved institution. The State grant and prorated State grant authorized under this subsection shall be paid for undergraduate courses only. If a course is required for licensure, but is designated as both an undergraduate and graduate course, for purposes of this subsection, the course shall be considered an undergraduate course.

(c) Administration. – The State grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall pay the State grant to each student eligible under this section. The amount of the grant shall be determined by the General Assembly. The State grant shall be paid to a student only after the student completes the academic year. The grant shall be paid directly to the student on or after July 1 following the completion of the academic year. The State Education Assistance Authority shall not remit any grant until it receives proper certification from an institution that the student applying for the grant is an eligible student.

(d) Shortfall. – In the event there are not sufficient funds to provide each eligible student with a full grant or prorated grant:

- (1) Each full-time student or full-time licensure student eligible for a full grant under this section shall receive a pro rata share of funds for the full grant then available for the appropriate academic year within the fiscal period covered by the current appropriation.
- (2) Each part-time student or part-time licensure student eligible for a prorated grant under this section shall receive a pro rata share of the funds for the prorated grant then available for the appropriate academic year within the fiscal period covered by the current appropriation.

(e) Reversion. – Any remaining funds shall revert to the General Fund.

(f) Reduction of Grant Amount for Certain Students. – A State grant authorized by this act shall be reduced by twenty-five percent (25%) for any individual student who has completed 140 semester credit hours or the equivalent of 140 semester credit hours.

(f1) Student and Licensure Student Enrollment Documented. – The State Education Assistance Authority shall document the number of full-time equivalent and part-time North Carolina undergraduate students and the number of licensure students that are enrolled in private institutions and the State funds collected by students and licensure students at each institution under this section. The State Education Assistance Authority shall report those findings to the Secretary of Administration, the House and Senate Appropriations Subcommittees on Education, and the Joint Legislative Education Oversight Committee.

(g) Limitation on Expenditures. – The State grant shall not be used for any student who:

- (1) Is incarcerated in a State or federal correctional facility for committing a Class A, B, B1, or B2 felony; or
- (2) Is incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years. (2003-429, s. 1; 2007-323, s. 9.13(b).)