

Patriot Foundation

North Carolina Patriot Star Family Recovery Scholarship Program (RECOVERY)

Reporting Period: 1 Jan - 31 Dec 2023

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 and SL 2022-71, to establish and administer scholarships under the Patriot Star Family Recovery Scholarship Program (RECOVERY).
- 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 Fiscal Recovery Funds received and expended during CY 2023.
- d. Single audit will be forwarded when completed, not later than 31 October 2024.

2. Program and Funding Overview.

- a. The RECOVERY program is funded by the State Fiscal Recovery Fund, appropriated by the NC legislature to the UNC system and earmarked for execution by the Patriot Foundation. The NC Pandemic Recovery Office is providing additional oversight over the program through the UNC system, including quarterly reporting of measures of performance, and program audits by both government and private entities.
- b. The RECOVERY program shares features with the STAR program but is differentiated in purpose and by the addition of eligibility criteria related to household income. Per the legislation: "Patriot Foundation...shall provide for scholarships under the Program to eligible children, eligible spouses of certain veterans, eligible children of certain currently serving members of the Armed Forces, and eligible disabled veterans to attend eligible postsecondary institutions to ***help remediate the impacts of the COVID-19 pandemic so that individuals who meet certain income criteria can recover learning and achieve credential and degree attainment*** [emphasis added]." The income criteria for eligibility is a household income no greater than 350% of the federal poverty level.
- c. In CY 2023, the Patriot Foundation received \$9,029,000 in funds for the RECOVERY program. When combined with the \$971,000 received in CY 2022, this completed the original appropriation of \$10,000,000 allocated to the Patriot Foundation in SL 2021-180.

- d. Technical corrections to SL 2021-180 increased the funds available to the Patriot Foundation for this program to a total of \$13 million. While the additional three million dollars is to be drawn in CY 2024 and thus outside the reporting period, we have considered the total value of the program in calculating obligation rates, projected expenditures, and expense ratios.
- 3. Program Administration.
 - a. We have hired dedicated personnel to administer these scholarships; contracted with a private firm to manage our application portal and database; contracted with the NC State Educational Assistance Authority to serve as our fiscal agent to the schools that they service; and hired an accounting firm qualified to conduct a single audit as required by subchapter 03M of the North Carolina Administrative Code. This infusion of expertise, as well as access to a network of relationships with the bursars and coordinators of veterans' affairs of many colleges and universities across the state, ensures we have the capacity to manage current levels of funding and more, while keeping administrative costs very reasonable. We are 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.
 - b. RECOVERY program funds are required to be obligated by the end of CY2024. As of the end of this reporting period, we have obligated \$7,857,341 - \$7,209,797 in scholarships based on program participants to date (see fig. 1), and \$647,544 in anticipated expenses over the life of the program. This is 60% of the funds allocated. Given continued growth in applications, program targets for new applicants over the next two semesters, and expected completion and return rates, we are on track to obligate all the funds by the end of CY2024.
 - c. Over the life of the program, we anticipate serving over 500 North Carolinians for a total of nearly 2000 semesters, with an expense ratio of around 5% (see fig. 2).
- 4. Results.
 - a. During calendar year 2023, the Patriot Foundation spent \$2,553,120 in State Fiscal Recovery Funds. Of this, \$116,177 (4.5%) was spent on operating expenses.
 - b. We disbursed \$2,436,943 in scholarships, funding 422 semesters at an average of \$5,775 apiece.
 - c. These scholarships were used at 46 different institutions across the state, with recipients from 46 different counties. About half of recipients were in the UNC system, and the remainder split between Community Colleges and private colleges.

5. Potential Changes to Legislation.
 - a. The technical corrections refining the guidance on which institutions qualify as eligible for the RECOVERY program have been very helpful in serving the broadest constituency possible.
6. The Point of Contact at the Patriot Foundation is Barry Huggins, bfhuggins@gmail.com.

A handwritten signature in black ink, appearing to be 'BFH' with a long, sweeping horizontal line extending to the right.

Barry F. Huggins
Director, North Carolina State Funding
Patriot Foundation

New Starts by Semester									
Sem	Returning (Prev- completing and not returning)	#	\$	#	\$	#	\$	#	\$
Fall 22		54	\$ 265,000.00						
Spring 2023	74%	40	\$ 199,301.54	64	\$ 318,882				
Fall 2023	67%	27	\$ 134,070.08	46	\$ 229,068	112	\$ 557,732		
Spring 2024	71%	19	\$ 124,250.00	46	\$ 299,000	111	\$ 721,500	61	\$ 396,500
Fall 2024	72%	14	\$ 89,460.00	33	\$ 215,280	80	\$ 519,480	44	\$ 285,480
Spring 2025	82%	11	\$ 73,357.20	27	\$ 176,530	66	\$ 425,974	36	\$ 234,094
Fall 2025	73%	8	\$ 53,550.76	20	\$ 128,867	48	\$ 310,961	26	\$ 170,888
Spring 2026	81%	7	\$ 43,376.11	16	\$ 104,382	39	\$ 251,878	21	\$ 138,420
Fall 2026	75%	5	\$ 32,532.08	12	\$ 78,286	29	\$ 188,909	16	\$ 103,815
Spring 2027	84%	4	\$ 27,326.95	10	\$ 65,761	24	\$ 158,683	13	\$ 87,204
Total Sem/ \$ Obligated		189	\$ 1,042,224.73	274	\$ 1,616,056.03	509	\$ 3,135,115.97	218	\$ 1,416,400
GRAND TOTAL					\$ 2,658,280.75		\$ 5,793,396.72		\$ 7,209,797.17

Fig 1 – Scholarship Obligations to date

Semester	Calendar Period Covered	Recipients						Scholarship \$		Scholarships to date	Admin \$	Admin to date	Total Exp	Exp to Date	\$ Drawn	Drawn to date
		% Completed	% Returning: Actual/Projected	# Renewals from prev semester: Actual/Projected	Previous Recipients (break in receipt)	# New/Target	Total Recipient: Actual/Projected	# Completing at EoS	\$ per: Actual/Projected	Total \$: Actual/Projected	Actual	Actual/Projected	Actual	Actual/Projected	Actual	Actual
Startup	Jan-Jun 22					54	54	4	\$ 4,907	\$ 265,000	\$ 265,000	\$ 19,177	\$ 19,177	\$ 19,177	\$ 19,177	
Fall 2022	Jul-Dec 22					64	104	17	\$ 4,983	\$ 518,184	\$ 29,306	\$ 48,483	\$ 294,306	\$ 313,483	\$ 375,000	\$ 375,000
Spring 2023	Jan-Jun 23	74%	40			64	104	17	\$ 4,983	\$ 518,184	\$ 29,306	\$ 48,483	\$ 294,306	\$ 313,483	\$ 375,000	\$ 375,000
Fall 2023	Jul-Dec 23	67%	70	3		112	185	5	\$ 4,980	\$ 921,253	\$ 1,704,437	\$ 51,293	\$ 164,660	\$ 972,546	\$ 1,869,097	\$ 10,000,000
Spring 2024	Jan-Jun 24	95%	171	6		60	237	52	\$ 6,395	\$ 1,515,690	\$ 3,220,127	\$ 64,884	\$ 229,544	\$ 1,580,574	\$ 3,449,671	\$ 13,000,000
Fall 2024	Jul-Dec 24	90%	167			140	307	32	\$ 6,500	\$ 1,992,250		\$ 52,000		\$ 2,044,250		
Spring 2025	Jan-Jun 25	90%	247			90	337	64	\$ 6,500	\$ 2,190,825		\$ 70,000		\$ 2,260,825		
Fall 2025	Jul-Dec 25	90%	246				246	17	\$ 6,500	\$ 1,597,343		\$ 52,000		\$ 1,649,343		
Spring 2026	Jan-Jun 26	90%	206				206	29	\$ 6,500	\$ 1,338,158		\$ 70,000		\$ 1,408,158		
Fall 2026	Jul-Dec 26	90%	159				159	7	\$ 6,500	\$ 1,034,692		\$ 52,000		\$ 1,086,692		
Spring 2027	Jan-Jun 26	90%	137				137	34	\$ 6,500	\$ 890,273		\$ 70,000		\$ 960,273		
Closeout	future							10				\$ 52,000				
						520	1971	271	\$ 6,221	\$ 12,263,668		\$ 647,544		\$ 12,911,212	\$ 13,000,000	
Percentage of total										94.34%		4.98%		99.32%		

Fig. 2 - Expenditures to date, and projected for life of program

Fall 2023 Recovery Program Awards Final Report

As of 10/15/2023

Total Scholarships Funded: 185

Total Funds Paid: \$921,253.00

Relationship to Service Member/Veteran	Total	Percentages
Child	119	64%
Self	36	19%
Spouse	30	16%
Grand Total	185	100%

Branch of Service	Total	Percentages
Air Force	19	10%
Army	129	70%
Coast Guard	1	1%
Navy	15	8%
Marine Corps	21	11%
Grand Total	185	100%

Gender	Total	Percentages
Female	129	70%
Male	56	30%
Grand Total	185	100%

NC County Represented	Total
Alamance	1
Ashe	1
Beaufort	1
Bertie	2
Brunswick	1
Carteret	1
Catawba	3
Chatham	1
Craven	2
Cumberland	40
Davidson	2
Durham	5
Edgecombe	3
Forsyth	3
Guilford	8
Halifax	2
Harnett	16
Haywood	2

Hoke	8
Hyde	1
Iredell	2
Jackson	1
Johnston	3
Lee	3
Lenoir	1
Mecklenburg	2
Montgomery	1
Moore	10
New Hanover	5
Onslow	14
Orange	1
Pender	1
Pitt	11
Randolph	1
Richmond	1
Robeson	1
Rowan	1
Stokes	1
Union	2
Wake	13
Watauga	1
Wayne	3
Wilson	2
Yadkin	1
Grand Total	185

Type of Institution	Total	Percentages
NC Community College	39	21%
Private	45	24%
UNC System	101	55%
Grand Total	185	100%

Institution	Total
Appalachian State University	7
Campbell University	25
Cape Fear Community College	4
Carteret Community College	2
Central Carolina Community College	6
Coastal Carolina Community College	5
Davidson County Community College	2
Duke University	2
East Carolina University	35
Elizabeth City State University	1

Fayetteville State University	8
Fayetteville Technical Community College	3
Forsyth Technical Community College	1
Guilford Technical Community College	6
Haywood Community College	1
High Point University	1
Louisburg College	1
Manna University	1
Meredith College	2
Methodist University	3
Mitchell Community College	2
Montgomery Community College	2
North Carolina Agricultural and Technical State University	4
North Carolina Central University	1
North Carolina State University	4
North Carolina Wesleyan University	6
Rowan–Cabarrus Community College	1
Sandhills Community College	1
Southwestern Community College	1
University of Mount Olive	1
University of North Carolina at Chapel Hill	4
University of North Carolina at Charlotte	5
University of North Carolina at Greensboro	14
University of North Carolina at Pembroke	4
University of North Carolina at Wilmington	5
Wake Forest University	2
Wake Technical Community College	1
Wayne Community College	1
Western Carolina University	4
Wingate University	1
Winston-Salem State University	5
Grand Total	185

Age	Total	Percentages
17-21	79	43%
22-25	45	24%
26-30	11	6%
30s	22	12%
40s	23	12%
50s	3	2%
60s	2	1%
Grand Total	185	100%

Spring 2024 RECOVERY Program Awards Final Report

As of 3/21/2024

Total Scholarships Funded: 237

Total Funds Paid: \$1,515.690.00

Relationship to Service Member/Veteran	Total	Percentages
Child	151	64%
Self	51	22%
Spouse	35	15%
Grand Total	237	100%

Branch of Service	Total	Percentages
Air Force	20	8%
Army	156	66%
Coast Guard	2	1%
Marine Corps	36	15%
Navy	23	10%
Grand Total	237	100%

Gender	Total	Percentages
Female	157	66%
Male	80	34%
Grand Total	237	100%

Age	Total	Percentages
17-21	103	43%
22-25	55	23%
26-30	16	7%
30s	29	12%
40s	27	11%
50s	5	2%
60s	2	1%
Grand Total	237	100%

County of Origin	Total
Alamance	1
Ashe	1
Beaufort	1
Bertie	1
Brunswick	1
Cabarrus	1

Carteret	2
Catawba	2
Chatham	1
Columbus	1
Craven	2
Cumberland	50
Davidson	1
Durham	4
Edgecombe	2
Forsyth	3
Guilford	10
Halifax	2
Harnett	22
Haywood	2
Hoke	13
Hyde	1
Iredell	1
Jackson	1
Johnston	3
Lee	6
Lenoir	1
Mecklenburg	2
Moore	10
New Hanover	8
Onslow	36
Orange	1
Pender	1
Pitt	10
Randolph	1
Richmond	1
Robeson	1
Rowan	1
Stokes	1
Union	3
Wake	18
Watauga	1
Wayne	3
Wilson	2
Yadkin	1
Grand Total	237

Type of Institution	Total	Percentages
NC Community College	63	27%
Private	57	24%
UNC System	117	49%
Grand Total	237	100%

Institution	Total
Appalachian State University	10
Brevard College	1
Campbell University	31
Cape Fear Community College	7
Carteret Community College	2
Central Carolina Community College	6
Coastal Carolina Community College	18
Davidson County Community College	1
Davidson-Davie Community College	1
Duke University	1
East Carolina University	34
Fayetteville State University	10
Fayetteville Technical Community College	6
Guilford Technical Community College	6
Haywood Community College	1
High Point University	2
Manna University	1
Meredith College	2
Methodist University	4
Mitchell Community College	2
Montgomery Community College	4
North Carolina Agricultural and Technical State University	8
North Carolina Central University	1
North Carolina State University	6
North Carolina Wesleyan University	5
Rowan–Cabarrus Community College	1
Sandhills Community College	3
Southeastern Baptist Theological Seminary	1
Southeastern Community College	1
Southwestern Community College	1
University of Mount Olive	2
University of North Carolina at Chapel Hill	5
University of North Carolina at Charlotte	7
University of North Carolina at Greensboro	14
University of North Carolina at Pembroke	8
University of North Carolina at Wilmington	7
Wake Forest University	2
Wake Technical Community College	1
Wayne Community College	2
Western Carolina University	4
William Peace University	1
Wingate University	4
Winston-Salem State University	3
Grand Total	237