

ADMINISTRATIVE MEMORANDUM

SUBJECT

Eligibility of Certain Part-Time Students
to Receive State-Funded, Need-Based
Scholarship Assistance

NUMBER

282

DATE

1/12/90

It is the purpose of this Administrative Memorandum to announce action by the Board of Governors on January 12, 1990, adopting a policy with respect to the eligibility of part-time students carrying at least three(3) credit hours to receive State-funded, need-based scholarship assistance and to furnish guidance to the institutions to implement the new policy. Financial aid programs are governed by this policy whether such programs originate from the enrolling institution, the Board of Governors, the General Assembly, or some other agency of the State of North Carolina.

Attached to this Administrative Memorandum is a copy of the new policy of the Board of Governors, which was adopted pursuant to enactment of Section 95, Chapter 752, 1989 Session Laws (also attached). Your special attention is called to Parts 2(a) and (b) of the policy. While rendering part-time students at the institutions who are carrying at least three credit hours eligible for State-funded, need-based scholarship assistance, Part 2(a) authorizes each constituent institution, in its discretion, to give priority of assistance to those students who are carrying a larger academic load, for example, assistance to all needy full-time students to a certain percentage, then all those who are half-time to a certain percentage, and so on. Part 2(b), however, applies the doctrine of "federal preemption" where a financial aid program draws in whole or in part upon a federal student aid program.

In such a case, the federal policy on student eligibility under the pertinent program would determine what level of academic load is required for financial assistance. For example, in the case of Pell grants, Stafford Student Loans, Supplemental Loans for Students (SLS), and PLUS loans the student must be enrolled as a half-time matriculant. As for SEOG's, College Work/Study, and Perkins loans, federal regulation requires, similarly, that the student recipient be half-time, except that an institution, in undertaking participation in those Title IV programs, may elect in preparing its participation basis for the federal government, to benefit students carrying less than a half-time load. Having made the election to benefit students carrying as few as three credit hours, the institution would find no conflict between the directions of the new North Carolina law and federal regulations, and no reference, in that case, need be made to federal preemption.

Your attention is also called to the expiration date of the Board policy, which is June 30, 1991, unless expressly extended by the Board. Please see that this policy is implemented at your institution.

Questions concerning this Administrative Memorandum may be addressed to Mr. David Edwards of this office.

A handwritten signature in cursive script, reading "C. D. Spangler, Jr.", is written over a horizontal line.

C. D. Spangler, Jr.

Attachments

POLICY OF THE BOARD OF GOVERNORS WITH RESPECT TO THE ELIGIBILITY
OF PART-TIME STUDENTS TO RECEIVE STATE-FUNDED, NEED-BASED
SCHOLARSHIP ASSISTANCE

In accordance with the requirement of Section 95, Chapter 752, 1989 Session Laws, the Board of Governors of The University of North Carolina hereby establishes the following policy concerning the eligibility of part-time students enrolled at the constituent institutions of The University of North Carolina to receive State-funded, need-based scholarship assistance.

1. Definitions. For the purpose of this policy the following terms are defined as stated:

a. "State-funded" shall mean funded by monies that have been provided directly or indirectly from appropriations of the General Assembly of North Carolina or by allocation or reallocation through administrative process of the State of North Carolina.

b. "Need-based scholarship assistance" shall mean scholarship or grant assistance for the paying of tuition, fees, and charges of the enrolling institution or other expenses incident to attendance at the institution, where eligibility for such assistance is determined solely upon the economic circumstances, not the academic distinctions, of the beneficiary student.

2. Eligibility of part-time students. Part-time students enrolled for at least three(3) credit hours during a semester or quarter shall be eligible for State-funded, need-based scholarship assistance under the following conditions:

(a) Scholarship assistance that is entirely provided under a State-funded program shall be available for award, provided that the enrolling institution, in its discretion, may establish priorities for awarding the assistance to those students enrolled for more than three credit hours.

(b) Scholarship assistance that comprises a program which is partially State-funded and partially funded by the federal government shall be made available under the requirements for academic load applicable under pertinent federal regulations. If a student carrying a partial academic load would be eligible for award under pertinent federal laws and/or regulations, the scholarship assistance shall be administered as provided by institutionally established policies (including priorities) to the extent that they are not inconsistent with the federal conditions.

3. Effective date of policy. This policy shall be effective immediately. However, to the extent that funds are available, an institution may award State-funded, need-based scholarship assistance under this policy to students with respect to enrollments commencing on or after July 1, 1989, if the award is consistent with policies that the institution may establish pursuant to Part 2(a), above.

4. Duration of policy. This policy shall expire on June 30, 1991, unless expressly extended by the Board of Governors.

5. Limitation To Delegations of Duty and Authority. This policy shall be deemed a limitation to Delegation X of "Delegations of Duty and Authority To Boards of Trustees," adopted by the Board of Governors July 7, 1972, as provided in Delegation X and authorized by G. S. 116-11(13).

Adopted January 12, 1990

Requested by: Representative Colton

-----FINANCIAL AID FOR POST-SECONDARY EDUCATION FOR PART-TIME STUDENTS

Sec. 95. (a) The Board of Governors of The University of North Carolina and the State Board of Community Colleges shall adopt rules to ensure that students at any of the constituent institutions of The University of North Carolina and at any of the campuses of the Community College System who are part-time students enrolled for at least three credit hours a semester or quarter in academic programs are eligible for State-funded need-based scholarship assistance.

(b) This section shall expire June 30, 1991.