

## **SUBCHAPTER 200. STATE BOARD AUTHORITY**

### **1A SBCCC 200.1 Mission of the Community College System**

The mission of the North Carolina Community College System is to open the door to high quality, accessible educational opportunities that minimize barriers to post-secondary education, maximize student success, and improve the lives and well being of individuals by providing:

- (1) education, training and retraining for the workforce, including basic skills and literacy education, occupational and pre-baccalaureate programs;
- (2) support for economic development through services to and in partnership with business and industry; and
- (3) services to communities and individuals which improve the quality of life.

*History Note: Authority G.S. 115D-1; 115D-4.1; 115D-5; 115D-8;*

*Eff. September 1, 1993;*

*Amended Eff. August 1, 2000; July 1, 1995.*

### **1A SBCCC 200.2 State Planning**

The State Board shall review the priorities of the system and adopt a system-level plan on at least a biennial basis, coordinated with the budget cycle. The plan shall take into account the current and future needs of the system and clarify the priorities essential to carrying out the mission of the system.

Note: Substance of former 23 SBCCC 2B .0204 was incorporated into this Rule.

*History Note: Authority G.S. 115D-5;*

*Eff. September 1, 1993.*

### **1A SBCCC 200.3 Authority to Waive a SBCC Code Provision**

- (a) The SBCC has the authority to waive any existing rule or portion of a rule in the SBCC Code for the following reasons:

- (1) To comply with federal or state law, and federal or state law requires adoption, amendment, or repeal in a time period less than the rulemaking time period allotted by the SBCC Code;
  - (2) To address a serious or unforeseen threat to the public health or safety;
  - (3) To address an unforeseen circumstance where the State Board finds that adherence to the notice and hearing requirements in the SBCC Code would be contrary to the public interest of students or other community college stakeholders; or
  - (4) To launch a pilot program.
- (b) The SBCC shall specify the basis for the waiver, the conditions of the waiver, and the duration of the waiver.

*History Note: Authority G.S. 115D-5;*

*Eff. [February 1, 2018](#).*

#### **1A SBCCC 200.4 Sound Fiscal and Management Practices**

- (a) Local boards of trustees shall adopt policies that assure a community college has sound fiscal and management practices. Policies to assure sound fiscal and management practices shall include at least the following:
- (1) Expending funds prudently and consistently with the approved budget.
  - (2) Demonstrating stewardship of the institution's State financial resources by effectively executing the institution's budget to ensure that the percentage of State current operating funds remaining unexpended does not exceed five percent or five times the systemwide percentage, whichever is higher.
  - (3) Ensuring that institutional fund accounts do not have a negative balance at the end of the fiscal year unless such an instance exists for a planned reason, such as an anticipated reimbursement. If any institutional fund account has a negative balance at year-end, the negative fund balance after the posting of all accrual entries shall be reviewed. In the event the negative balance is not due to a planned reason, the college shall develop a plan to rectify the negative balance,

and the information shall be reported to the Board of Trustees at its first scheduled meeting following year-end.

- (4) Tracking expenditures consistent with the North Carolina Community College System's Chart of Accounts, as outlined in the NC Community College System Accounting Procedures Manual.
- (5) Providing financial reports to the local boards of trustees at intervals determined by the local board of trustees.
- (6) Maintaining a system of internal controls as prescribed by G.S. 143D-7.
- (7) Ensuring the college does not overdraw accounts by ensuring bank accounts are reconciled and any discrepancies and a plan for resolution are identified within 30 business days from the end of the prior month. In the event a college fails to comply with this requirement more than once during a fiscal year, such information shall be reported to the Board of Trustees at its first scheduled meeting following the month of non-compliance.
- (8) Submitting complete and accurate financial statements to the North Carolina Office of the State Controller by the prescribed deadline.
- (9) Ensuring that audits are conducted consistent with G.S. 115D-20(9) and G.S. 115D-58.16.
- (10) Addressing any findings identified in audits, compliance reviews, SACSCOC reviews, or other monitoring reviews.
- (11) Ensuring that the college is actively seeking to fill leadership and other supervisory positions in a timely manner with individuals of high competence.
- (12) Monitoring staff turnover by providing an employee vacancy report for information to the local board of trustees at least biannually.

*History Note: Authority G.S. 115D-5;*

*Eff. [July 1, 2018](#).*

### **1A SBCCC 200.5 System Advisory Council**

To promote communication, transparency, and the consideration of diverse perspectives, the System Advisory Council is established as a standing body whose

charge is to discuss and make recommendations to the State Board of Community Colleges on issues of system-wide or inter-college importance. The council will focus on capacity building, innovation, guidance, and support for the Strategic Plan.

(a) Membership: The System Advisory Council shall consist of the following members.

(1) The Chair of the State Board of Community Colleges shall appoint four State Board members, including at least one member appointed to the State Board by the current Governor, one member appointed to the State Board by the House, and one member appointed to the State Board by the Senate.

(2) The Chair of the North Carolina Association of Community College Trustees shall appoint four community college board of trustee members, including one member representing a college from the western (Trustee Association Regions 1 and 2 as defined in G.S. 115D-62); central (Trustee Association Regions 3 and 4), and eastern (Trustee Association Regions 5 and 6) regions, and one at-large member.

Appointees shall represent at least one small (defined as Presidents' Salary Grade 1), medium (Salary Grade 2), and large college (Salary Grade 3).

(3) The President of the North Carolina Association of Community College Presidents shall appoint four community college presidents including one member representing a college from the western (defined as Trustee Association Regions 1 and 2 as defined in G.S. 115D-62), central (Trustee Association Regions 3 and 4), and eastern (Trustee Association Regions 5 and 6) regions, as well as one at-large member. Appointees shall represent at least one small (defined as Presidents' Salary Grade 1), medium (Salary Grade 2), and large college (Salary Grade 3).

(4) The President of the North Carolina Comprehensive Community College Student Government Association or his or her designee shall be an ex-officio voting member.

(5) The System President shall be an ex-officio, non-voting member, except in the case of a tie. The System President shall serve as the presiding officer.

(b) Terms. To establish regularly overlapping terms, two of the initial appointments by

the Chair of the State Board, two of the initial appointments by the Chair of the North Carolina Association of Community College Trustees, and two of the initial appointments by the President of the North Carolina Association of Community College Presidents shall expire one year after the initial appointment. Each subsequent regular appointment by all appointing bodies shall be for a term of two years.

- (1) No member of the System Advisory Council shall serve more than two consecutive terms of two years. This limitation does not prohibit an individual from serving future terms after a period of non-service of at least one year.
  - (2) All vacancies occurring on the System Advisory Council shall be filled for the remaining of the unexpired term by the appointing body making the original appointment.
- (c) Meetings and Agendas. The System President shall be responsible for convening the System Advisory Council at least quarterly. The System President shall also convene the System Advisory Council at the request of four or more members of the System Advisory Council.
- (1) The System President shall be responsible for meeting coordination, including scheduling the meeting, developing the agenda based on recommendations from Council members, and ensuring appropriate staff are available to support the Council.
  - (2) Any member of the System Advisory Council may submit agenda items for consideration at meetings. If the time allotted for the meeting does not allow for addressing all submitted agenda items, the System Advisory Council shall review the list of pending agenda items and prioritize items for future meetings.

*History Note: Authority G.S. 115D-5;*

*Eff. [August 1, 2018](#)*

*Amend Eff. [August 1, 2023](#)*

### **1A SBCCC 200.6 Delegation of Contractual Authority**

The State Board of Community Colleges hereby delegates to the System President the authority to execute any contract that meets the following criteria:

- (1) Contracts that expend less than \$250,000 and whose terms do not exceed one year;
- (2) Contract amendments that cumulatively increase the value of a contract by less than 10%; and
- (3) Any other contract if the SBCC has approved the purpose and amount.
- (4) The System Office shall provide at least biannually a report to the State Board listing any contracts executed by the President pursuant to this delegated authority.

*History Note: Authority G.S. 115D-5;*

*Eff. [September 1, 2019](#).*