

SUBCHAPTER 600.

SELF-SUPPORTING COURSE SECTIONS

1E SBCCC 600.1 Definitions

The following definitions apply to this Subchapter:

- (a) “Direct costs” - The costs required to provide an instructional course section. Examples of direct costs include, but are not limited to, instructor salaries and salary-related benefits (i.e. retirement contributions, health insurance, etc.), travel to and from the instructional site, course curriculum development costs, instructional supplies, equipment, building rental, insurance, advertising, printing, postage, mailing costs, and any other costs specifically related to the course section. Refreshments and meals may be included as a direct cost if disclosed to potential students prior to the start of the course section.
- (b) “Indirect costs” – The costs associated with activities and services that support instruction, but which cannot be exclusively assigned to a course section. Examples of indirect costs include, but are not limited to, student services, administrative costs, utilities, custodial services, and security services, which cannot be exclusively assigned to a course section.
- (c) “Self-supporting” - Funding the direct and indirect costs of a course or set of courses through receipts collected from students or from a third-party on behalf of students enrolled in the course or set of courses.

History Note: Authority G.S. 115D-5; G.S. 115D-39;

Eff. [May 16, 2014](#).

1E SBCCC 600.2 Authority to Charge Self-supporting Fees

- (a) Authority to Charge. Colleges are authorized to offer curriculum and continuing education course sections on a self-supporting basis and charge self-supporting fees to students who enroll in self-supporting course sections.
- (b) Local Policy. The board of trustees shall adopt a policy regulating self-supporting activities prior to a college offering self-supporting course sections. This policy shall include, at minimum, the following elements:
 - (1) The method the college must use to determine self-supporting fee rates, and
 - (2) The permissible uses of excess funds generated from self-supporting activities.

History Note: Authority G.S. 115D-5; G.S. 115D-39;

Eff. [May 16, 2014](#).

1E SBCCC 600.3 Self-supporting Fee Rates

- (a) A college shall set all self-supporting fees consistent with the policy adopted by its board of trustees. A college may adopt different self-supporting fees for different courses and activities, subject to the limitations established by this subsection.
- (b) Curriculum Self-Supporting Fee Rates: Colleges shall determine self-supporting fees for curriculum courses using one of the following two methods of calculation:
 - (1) Pro-rata Share Method. The amount charged to each student shall approximate the pro-rata share of the direct and indirect costs associated with providing self-supporting instruction. Unless the college can demonstrate a need for a higher rate, a college may estimate indirect costs by applying its federal indirect cost rate or a rate up to 25%, whichever is higher, to the direct costs of providing the self-supporting activity. The amount charged to the student shall be calculated based on either 1) the estimated costs of an individual self-supporting course section divided by the number of students expected to enroll in the course section or 2) the estimated costs of a set of self-supporting course sections divided by the number of students expected to enroll in the set of course sections. Each student must pay the self-supporting fee even if the sum of the curriculum tuition and self-supporting fees charged to the student for the academic term exceeds the maximum tuition rate set by the State Board and academic term.
 - (2) Transparent Rate Method. The college shall charge each student an amount consistent with the curriculum tuition rate based on residency status. The transparent rate method shall only be used if the receipts generated through this method can adequately support the direct and indirect costs of the self-supporting instruction.
- (c) Continuing Education Self-Supporting Fee Rates: Colleges shall set self-supporting fees for continuing education course sections at a level at or below the local market rate for the type of continuing education instruction provided.

History Note: Authority G.S. 115D-5; G.S. 115D-39;

Eff. [May 16, 2014.](#)

1E SBCCC 600.4 Deposit and Use of Self-supporting Fees

- (a) Deposit of Self-Supporting Fees. Colleges shall deposit self-supporting fee receipts in an institutional unrestricted general ledger account. Any course section initially designated as self-supporting cannot be changed to a State-funded designation after the college collects any receipts for the course section.
- (b) Use of Self-Supporting Fee Receipts. Self-supporting fee receipts shall be used to support the direct and indirect costs of the self-supporting course sections. Colleges shall not use state funds for direct costs of self-supporting course sections. If a full-time faculty member teaches a self-supporting course section, colleges shall either 1) pro-rate the faculty salary based on the time allocated between state-funded and self-supporting course sections in the faculty member's course load, or 2) reimburse State funds an amount equal to the number of instructional hours associated with self-supporting course section multiplied by the instructor's hourly rate of pay.
- (c) Excess Receipts. If self-supporting receipts exceed expenditures for the fiscal year, colleges shall use excess receipts to either support the costs of future self-supporting course sections or to support costs authorized by 1E SBCCC 700.7.

History Note: Authority G.S. 115D-5; G.S. 115D-39;

Eff. [May 16, 2014.](#)

1E SBCCC 600.99 Fees for Extension Programs

REPEALED by the State Board of Community Colleges, eff. 16 May 2014.

History Note: Authority G.S. 115D-5; 115D-39; S.L. 1995, c. 625;

Eff. February 1, 1976;

Amended Eff. September 1, 1993; August 1, 1983; August 17, 1981;

Temporary Amendment Eff. November 1, 1993 for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;

Amended Eff. June 1, 1994;

Temporary Amendment Eff. June 1, 1997;

Amended Eff. September 1, 2011; August 1, 2002; July 1, 1998;

Repeal Eff. [May 16, 2014](#).