



Self-Support Course Offerings

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Self-Support Course Offerings

Program Description

A self-support course is one where the student pays a pro-rated share of the cost of conducting the course. There are various reasons why a college may choose to offer a course in the manner:

- It is not economically feasible to offer a class under the budget FTE funding structure.
Examples: corporate training, management/leadership training, advanced manufacturing.
- The cost of offering the course is such that the student's prorated share is less than the appropriate registration fee charged under the State Board approved sliding fee scale.
- The instructional cost is gratis.

The pro-rated share of the cost is determined by the local college and must be approved by their Board of Trustees. To promote uniformity in determining the cost of a self-support course, colleges should refer to 23 NCAC 02D .0203(b) which defines the allowable direct and indirect cost.



A. Governance

Below are the major legislative policies and numbered memos related to self-support course offerings.

General Statute

- G.S. 115D-5 (g) Recreation Courses
- G.S. 115D-5 (h) Real Estate Continuing Education
- G.S. 115D-20 (4) Noncredit Offerings for Minors

The full text of these general statutes can be found on the website maintained by the General Assembly at www.ncga.state.nc.us.

NC Administrative Codes

- 23 NCAC 2E .0101 (2)(c) Program Classification
- 23 NCAC 2D .0203 (b) Fees for Extension Programs – Self-Supported Classes
- 23 NCAC 2D .0203 (d)(4) Fees for Extension Programs – Registration Fee Refunds
- 23 NCAC 2D .0205 Deposit of Fees
- 23 NCAC 2D .0325 (e) Limitation in Reporting Student Member Hours – Self-Supporting Classes
- 23 NCAC 2D .0325 (f) Limitation in Reporting Student Member Hours – Sheltered Workshops/ADAP
- 23 NCAC 2D .0326 (b) Budget FTE Funding – Gratis Instruction
- 23 NCAC 2C .0305 (h) Education Services for Minors

The full text of these administrative codes can be found on the website maintained by the Office of Administrative Hearings at www.oah.state.nc.us.

NCCCS Numbered Memos

- CC98-306 Self-Support Course Offering
- CC05-129 Deposit of Self-Supporting Funds

The full text of these numbered memos can be found on the website maintained by NC Community College System Office at www.nccommunitycolleges.edu. Click on Faculty/Staff → Administrative Resources → Numbered Memos.

B. Course Descriptions

Below are updates to the two courses used to offer self-support courses.

| | |
|---------|---|
| SEF3001 | <p><i>* New Course Description</i></p> <p><u>Receipt Supported Occupational Training</u> Colleges may offer any occupational extension or community service course on a self-supporting basis. A self-support course is one where the student pays a pro-rated share of the cost of conducting the course. To promote uniformity in determining the cost of a self-support course, colleges should refer to 23 NCAC 02D .0203(b) which defines the allowable direct and indirect cost. Courses offered as self-support do not earn budget FTE. The cost for a self-supporting class is not considered a registration fee; hence, fee waivers are not applicable.</p> |
| SEF3002 | <p><i>* Course to be archived on April 1, 2007. College should use WST3000 or WST4000 to report FTE for Workstation (in-plant) training.</i></p> <p><u>Contract Supported Occupational Training: NCAC 2E .0402(c)(3)</u> This course may be offered under the provisions of 23 NCAC 2E. 0402(c)(3) and 23 NCAC 2D. 0326(3). Membership hours for this class will be reported as Self Supporting Occupational Extension and the college will be reimbursed under the provisions of the NCAC 2E. 0402(C)(3).</p> |

C. General Guidelines

- Colleges may offer any occupational extension or community service course on a self-supporting basis. The course ID is SEF3001 – Receipt Supported Occupational Training.
- Self-support course offerings must follow the same program guidelines and accounting procedures that govern budget FTE course offerings with regard to course set-up, student registrations, collection of fees, attendance, and Institutional Class Report (ICR) reporting.
- Courses offered as self-support do not earn budget FTE.
- Each local board of trustees shall adopt a policy regulating the amount of mark-up the college may charge for a self-supporting class and how surplus funds derived from these classes may be used.
- Colleges are given the flexibility to determine fees consistent with the market conditions in their local area for self-supporting classes. In keeping with State Board's philosophy, fees should be kept at a minimum in an effort to keep student costs as low as possible.
- To promote uniformity in determining cost of the self-supporting classes, direct and indirect costs for these classes are defined below. The intent of this policy is to keep student charges affordable.

Direct Costs

- Instructor(s) salary including FICA, travel, and course development costs
- Instructional supplies and materials
- Rental of buildings
- Advertising, printing, postage, and mailing
- Equipment
- Refreshments
- Administrative or clerical costs

Indirect Costs

- Indirect costs are the charges for activities and services that support self-supporting classes which cannot be directly and exclusively assigned to a self-supporting class. Examples of indirect costs shall include utilities, custodial and security services, coordination, administration, or clerical, salary and fringe benefits.
- The cost for a self-supporting class is not considered a registration fee; therefore, fee waivers are not applicable.
- Each college shall adopt local refund policies for registration fee refunds for classes not required to be deposited into the State Treasury account.
- All expenditures for self-support classes must be consistent with the mission and purpose of the community college system.
- Each local board of trustees shall review its policy on self-supporting classes at least once every three years.

References: 23 NCAC 2E. 0101 (2)(c), 23 NCAC 2D. 0203 (b), 23 NCAC 02D. 0203(d)(4), 23 NCAC 2D .0325(e), and CC98-306

D. Program/Course-Specific Guidelines

- Recreational programs are self-supporting courses which the college may provide at the request of the community but for which the college receives no budgetary credit. Funds appropriated as operating expenses for allocation to the colleges shall not be used to support recreation courses. The financing of these courses by a college shall be on a self-supporting basis, and membership hours produced from these activities shall not be counted when computing full-time equivalent students for use in budget-funding formulas at the state level. *References: G.S. 115D-5 (g), 23 NCAC 2D .0325(e), and 23 NCAC 2E .0101 (2)(c)(ii)*
- When a community college offers real estate continuing education courses pursuant to G.S. 93A-4.1, the courses shall be offered on a self-supporting basis. *Reference: G.S. 115D-5 (h)*
- Occupational extension instruction shall not be offered in sheltered workshops and adult developmental activity centers (ADAP) except sheltered workshops and ADAP centers may contract with the community college to provide occupational extension courses on a self-supporting basis. *Reference: 23 NCAC 2D .0325(f)*
- Any class for which the instructor's services are provided at no cost or for which the instructional cost is paid totally and directly by an external agency is a "gratis" class. In this situation, the class is reported as self-supporting, and does not generate budget/FTE. If a portion of the class is gratis, student hours shall be prorated accordingly. *Reference: 23 NCAC 02D .0326(b)*
- A college may make available to persons of any age [minors] non-credit, non-remedial, enrichment courses during the summer period. These courses shall be self-supporting and shall not earn credit toward a diploma, certificate, or degree at the college or high school. *Reference: G.S. 115D-20(4) and 23 NCAC 2C.0305 (h)*
- **Note: Add general guidelines for corporate/contract training.**

E. Deposit of Funds

The accounting procedures for self-support courses should be the same as those for the budgeting and expenditures of regular instructional funds. Colleges should set up a special fund account to receipt dollars collected from self-support courses. All expenses incurred should be paid out of this account.

It is important that colleges do not deposit self-support receipts into State Treasurers' account. The System Office does not track nor verifies these receipts of these deposits and thus, would not be able to reallocated funds back to the college.

Reference: 23 NCAC 2D .0205, CC98-306, CC05-129

F. Use of Excess Funds

If self-supporting receipts (all categories: e.g., curriculum, community service) exceed expenditures for the fiscal year, the revenue is retained at the college and the following provisions apply:

- Excess funds shall be expended for student financial aid, scholarships, or program improvement. All expenditures shall directly benefit students.
- Excess funds may be used to support instructional cost of courses that generate budget FTE. Funds should be transferred to the appropriate line item.
- At the end of the fiscal year, any expended balance can be carried forward.
- Funds derived from self-supporting classes shall not be used for:
 - Supplemental salaries of any personnel
 - Administrative support of the college, other than noted in allowable direct or indirect cost, and only for activities that directly benefit students; and
 - College entertainment expense. (Educational activities for non-college personnel or college personnel to enhance student success would not be entertainment. Functions in which the primary purpose is fundraising would be entertainment.)

References: 23 NCAC 2D .0203 (b) and CC98-306

G. Audit Checklist

In preparation of a program audit, colleges should be able to answer the following questions about their self-support course offerings.

1. Does the college have policies for self-support course offerings?
2. Are policies consistent with numbered memo CC98-306?
3. Have the policies been approved by the Board of Trustees? If yes, when was it approved?
4. Have there been any revisions to any policies? If so, what are the changes?
5. Was the fees collected deposited in a local account?
6. Were funds transferred out to other categories?
7. What is the fund balance and expenditures?
8. Were the funds spent in accordance with numbered memo CC98-306?