

§ 116-203. Authority created as subdivision of State; appointment, terms and removal of board of directors; officers; quorum; expenses and compensation of directors.

(a) Authority Created. – There is created and constituted a political subdivision of the State to be known as the State Education Assistance Authority (Authority) to be housed administratively within The University of North Carolina System Office for organizational, staffing, and budgetary purposes. The exercise by the Authority of the powers conferred by this Article shall be deemed and held to be the performance of an essential governmental function in administering a system of financial assistance to qualified students of the State. The Authority shall exercise its statutory powers independently from the System Office and the Board of Governors of The University of North Carolina.

(b) Membership. – The Authority shall be governed by a board of directors consisting of nine members, seven of whom shall be appointed and two of whom shall be ex officio as follows:

(1) Seven members appointed according to the following:

a. The Board of Governors of The University of North Carolina shall appoint the following members:

1. One member who shall have expertise in secondary or higher education.
2. One member who shall be a chief financial officer or chief administrative officer from a nonpublic school that enrolls students receiving scholarship funds pursuant to Part 2A of Article 39 of Chapter 115C of the General Statutes.
3. One member who shall have expertise in finance.

b. The Governor shall appoint the following members:

1. One member who shall have expertise in finance.
2. One member who shall have expertise in secondary or higher education.
3. One member who shall be a member of the public at large with an interest in higher education.
4. One member who shall be a chief financial officer from a college or university that is a member of North Carolina Independent Colleges and Universities, Inc., appointed upon the recommendation of North Carolina Independent Colleges and Universities, Inc.

(2) The chief financial officer of The University of North Carolina shall serve as an ex officio member.

(3) The chief financial officer of the North Carolina Community College System shall serve as an ex officio member.

(c) Terms. – Members appointed pursuant to subdivision (1) of subsection (b) of this section shall serve for a term of four years and until their successors are appointed and duly qualified. Immediately after appointment, the directors shall enter upon the performance of their duties.

(d) Vacancies. – A vacancy in an appointment shall be filled by the appointing authority in the same manner as the original appointment for the remainder of the unexpired term.

(e) Removal. – The appointing authority may remove any member of the board of directors appointed by that authority for misfeasance, malfeasance, or nonfeasance.

(f) Officers. – The board shall annually elect one of its members as chair and another as vice-chair. The chair, or in the chair's absence, the vice-chair, shall preside at all meetings of the board. In the absence of both the chair and vice-chair, the board shall appoint a chair pro tempore, who shall preside at such meetings.

(f1) Executive Director. – The President of The University of North Carolina shall appoint the Executive Director of the Authority, who shall be the Authority's principal executive officer, and the Executive Director shall be responsible to the President. The Executive Director shall serve as secretary to the board of directors.

(g) Quorum. – Five directors shall constitute a quorum for the transaction of the business of the Authority, and no vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Authority. The favorable vote of at least a majority of the members of the board present at any meeting is required for the adoption of any resolution or motion or for other official action.

(h) Expenses. – The members of the board shall receive per diem and allowances as provided in G.S. 138-5 and G.S. 138-6. These expenses and compensation shall be paid from funds provided under this Article, or as otherwise provided. (1965, c. 1180, s. 1; 1979, c. 165, s. 3; 2010-109, s. 1; 2021-180, s. 8A.4(a).)