

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 384

Short Title: Comm. Coll. Law/Technical Changes. (Public)

Sponsors: Representatives Tolson; Faison, Glazier, and Wray.

Referred to: Education.

February 27, 2007

A BILL TO BE ENTITLED

AN ACT TO MAKE TECHNICAL CHANGES TO THE LAWS PERTAINING TO
THE FISCAL OPERATIONS OF THE COMMUNITY COLLEGE SYSTEM.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 115D-5(a) reads as rewritten:

"(a) The State Board of Community Colleges may adopt and execute such policies, regulations and standards concerning the establishment, administration, and operation of institutions as the State Board may deem necessary to insure the quality of educational programs, to promote the systematic meeting of educational needs of the State, and to provide for the equitable distribution of State and federal funds to the several institutions.

The State Board of Community Colleges shall establish standards and scales for salaries and allotments paid from funds administered by the State Board, and all employees of the institutions shall be exempt from the provisions of the State Personnel Act. The State Board shall have authority with respect to individual institutions: to approve sites, ~~buildings, building plans,~~ capital improvement projects, budgets; to approve the selection of the chief administrative officer; to establish and administer standards for professional personnel, curricula, admissions, and graduation; to regulate the awarding of degrees, diplomas, and certificates; to establish and regulate student tuition and fees within policies for tuition and fees established by the General Assembly; and to establish and regulate financial accounting procedures.

The State Board of Community Colleges shall require all community colleges to meet the faculty credential requirements of the Southern Association of Colleges and Schools for all community college programs."

SECTION 2. G.S. 115D-15.1 reads as rewritten:

"§ 115D-15.1. Disposition, acquisition, and construction of property by community college.

(a) Disposition. – Notwithstanding the provisions of G.S. 115D-14, 115D-15, and 160A-274, the board of trustees of a community college may, in connection with

1 additions, improvements, renovations, or repairs to all or part of its property, lease, sell,
2 or otherwise dispose of any of its property to the county in which the property is located
3 for any price and on any terms negotiated between the board of trustees of the
4 community college and the board of county commissioners.

5 (b) Transfer. – An agreement under subsection (a) of this section shall require the
6 county to transfer the property back to the board of trustees of the community college
7 when any financing agreement entered into by the county to finance the additions,
8 improvements, renovations, and repairs has been satisfied. ~~If the county did not enter
9 into a financing agreement, the agreement under subsection (a) of this section shall
10 require the county to transfer the property back to the board of trustees of the
11 community college upon the completion of the additions, improvements, renovations,
12 and repairs.~~

13 Notwithstanding the transfer of property to the county, the provisions of subsection
14 (d) of this section, G.S. 143-129, and G.S. 143-341 apply to the capital improvement
15 project.

16 (c) Acquisition and Construction. – Notwithstanding the provisions of
17 G.S. 115D-14 and G.S. 115D-20(3), the board of trustees of a community college may
18 acquire, by any lawful method, any interest in real or personal property ~~from~~ in the
19 county in which the community college is located or in its service delivery area for use
20 by the board of ~~trustees and trustees.~~ The board of trustees may contract for the
21 construction, equipping, expansion, improvement, renovation, repair, or otherwise
22 making available for use by the board of trustees of the community college of all or part
23 of the property upon any terms negotiated between the board of trustees of the
24 community college and the board of county commissioners.

25 (d) Approval. – The actions of a board of trustees of a community college taken
26 pursuant to this section are subject to the approval of the State Board of Community
27 Colleges.

28 (e) Contract Responsibility. – A county's obligations under a financing contract
29 entered into by the county to finance improvements to real or personal property
30 pursuant to this section shall be the responsibility of the county and not the
31 responsibility of the board of trustees of the community college."

32 **SECTION 3.** G.S. 115D-20(10) reads as rewritten:

33 "**§ 115D-20. Powers and duties of trustees.**

34 The trustees of each institution shall constitute the local administrative board of such
35 institution, with such powers and duties as are provided in this Chapter and as are
36 delegated to it by the State Board of Community Colleges. The powers and duties of
37 trustees shall include the following:

- 38 . . .
- 39 (10) To enter into guaranteed energy savings contracts pursuant to Part 2 of
40 Article 3B of Chapter 143 of the General ~~Statutes.~~ Statutes and to
41 participate, by executing promissory notes and by other necessary
42 action, in the Energy Improvement Loan Program pursuant to Part 3 of
43 Article 36 of Chapter 143 of the General Statutes."

44 **SECTION 4.** G.S. 115D-58.15(a) reads as rewritten:

1 (a) Authority. – The board of trustees of a community college may use lease
2 purchase or installment purchase contracts to purchase or finance the purchase of
3 equipment as provided in this section. A college shall not have more than five of these
4 contracts in effect at any one time."

5 **SECTION 5.** G.S. 115D-54(a) reads as rewritten:

6 (a) ~~On or before the first day of May of each year,~~ By a date determined by the
7 State Board, trustees of each institution shall prepare for submission a budget request as
8 provided in G.S. 115D-54(b) on forms provided by the State Board of Community
9 Colleges. The budget shall be based on estimates of available funds if provided by the
10 funding authorities or as estimated by the institution. The State Current Fund shall be
11 based on available funds. All other funds shall be based on needs as determined by the
12 board of trustees and shall include the following:

- 13 (1) State Current Fund.
- 14 (2) County Current Fund.
- 15 (3) Institutional Fund.
- 16 (4) Plant Fund."

17 **SECTION 6.** G.S. 115D-55(a) reads as rewritten:

18 (a) Approval of Budget by Local Tax-Levying Authority. – ~~Not later than May~~
19 ~~15, or such later date as may be~~ By a date fixed by the local tax-levying authority, the
20 budget shall be submitted to the local tax-levying authority for approval of that portion
21 within its authority as stated in G.S. 115D-54(b). On or before July 1, or such later date
22 as may be agreeable to the board of trustees, but in no instance later than September 1,
23 the local tax-levying authority shall determine the amount of county revenue to be
24 appropriated to an institution for the budget year. The local tax-levying authority may
25 allocate part or all of an appropriation by purpose, function, or project as defined in the
26 budget manual as adopted by the State Board of Community Colleges.

27 The local tax-levying authority shall have full authority to call for all books, records,
28 audit reports, and other information bearing on the financial operation of the institution
29 except records dealing with specific persons for which the persons' rights of privacy are
30 protected by either federal or State law.

31 Nothing in this Article shall be construed to place a duty on the local tax-levying
32 authority to fund a deficit incurred by an institution through failure of the institution to
33 comply with the provisions of this Article or rules and regulations issued pursuant
34 hereto."

35 **SECTION 7.** G.S. 115D-56 is repealed.

36 **SECTION 8.** This act becomes effective July 1, 2007.