

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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SENATE BILL 697
Education/Higher Education Committee Substitute Adopted 4/28/03

Short Title: Community College Trust Fund Established.

(Public)

Sponsors:

Referred to:

April 2, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A NORTH CAROLINA COMMUNITY COLLEGES
3 INSTRUCTIONAL TRUST FUND.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Article 3 of Chapter 115D of the General Statutes is amended
6 by adding a new section to read:

7 "**§ 115D-42. North Carolina Community Colleges Instructional Trust Fund.**

8 (a) There is established the North Carolina Community Colleges Instructional
9 Trust Fund. The purpose of this Trust Fund is to supplement the funds raised by
10 community college foundations to enhance the academic missions of community
11 colleges.

12 (b) State funds from the Trust Fund and matching funds raised by foundations
13 shall be used by the board of trustees of a community college only to enhance the
14 academic mission of the college. Expenditures of these funds shall directly relate to
15 education and shall be only for:

16 (1) Resource center materials;

17 (2) Professional development of instructional faculty and staff in cases in
18 which (i) professional development will improve the quality of
19 performance provided by the employee and (ii) the employee makes a
20 commitment to remain at the college for a prescribed period of time;

21 (3) Professional development of instructional faculty and staff in cases in
22 which professional development is necessary to enhance the
23 employee's ability to meet newly mandated instructional or
24 performance requirements;

25 (4) Endowed scholarships and endowed professorships; and

26 (5) Other purposes authorized by the State Board of Community Colleges
27 that are consistent with the college's mission.

28 (c) Private funds raised by the community college foundations for the Trust Fund
29 shall be matched with State funds on a two-to-one basis. The State shall make a

1 maximum matching contribution of twenty-five thousand dollars (\$25,000) for each of
2 the 58 community colleges. These funds shall be reserved for each community college
3 and held in escrow in the Trust Fund. A community college foundation may apply for
4 matching funds after it raises twenty-five thousand dollars (\$25,000). The chairperson
5 of each community college foundation shall certify to the North Carolina Community
6 College System Office that (i) new funds have been raised by the college and deposited
7 in the community college foundation to match the amount of funds held in escrow in the
8 Trust Fund, (ii) the amount raised and deposited in the college foundation have not been
9 used previously for matching purposes; and (iii) the amount raised by the college and
10 the matching State funds shall be used only as provided in subsection (b) of this section.
11 Any remaining funds that were not matched by the State shall be divided among those
12 colleges that raised the required matching funds in excess of their allocation.

13 (d) The State Board of Community Colleges may request an audit of the State
14 funds expended under this section from any community college foundation."

15 **SECTION 2.** There is appropriated from the General Fund to the State
16 Board of Community Colleges the sum of one million four hundred fifty thousand
17 dollars (\$1,450,000) for the 2003-2004 fiscal year for the Community Colleges
18 Instructional Trust Fund established in Section 1 of this act.

19 **SECTION 3.** This act is effective when it becomes law.