

STATE BOARD OF COMMUNITY COLLEGES
Service Agreement for Residency Determination Services
FY 2023-24, FY 2024-25, FY 2025-26

Request: The State Board of Community Colleges (SBCC) is requested to approve the Residency Determination Services (RDS) Service Agreement for operational costs not to exceed \$2,285,757 for services provided in each FY 2023-24, FY 2024-25, FY 2025-26.

Background: The NC General Assembly enacted Session Law 2013-360 directing the UNC System, the NC Community College System (NCCCS), the NC Independent Colleges and Universities (NCICU) and the NC SEAA to create a centralized, uniform process for determining residency for tuition purposes and for administration of State-funded financial aid. Further, Session Law 2015-241 authorized the NC SEAA to govern implementation and operation of the process to apply the criteria in G.S. §116-143.1 and directed the UNC System and the NCCCS to transition from the campus-based residency determination system to the centralized process. Further, other state agencies were required to provide database matches for data validation. This centralized process is known as the Residency Determination Service (RDS). For a student to receive the benefits of in-state tuition and/or State student aid, a residency determination from RDS is required.

Rationale: The services provided by NC SEAA and college participation in RDS are legislatively mandated. The operational costs are based on the ongoing annual cost of operations and are calculated proportionately based upon a three-year average of Next NC Scholarship recipients at NCICU campuses and new enrollments at NCCCS campuses and UNC campuses. Operational costs are paid through annual billings to the North Carolina Community Colleges System Office for the costs of services provided during the prior fiscal year.

Method of Procurement: In accordance with the practice of the State of North Carolina, there is no requirement for competition or approval by outside purchasing authorities for contracts between state agencies.

Contract Amount and Time Period: The contract will not exceed \$2,285,757 each fiscal year. The time period is July 1, 2023, through June 30, 2026.

Fiscal Year	Maximum Amount
2023-24	\$2,285,757
2024-25	\$2,285,757
2025-26	\$2,285,757

Fund Source and Availability: Funding is available from State General Fund appropriation.

Contact(s):

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