

NUMBERED MEMO CC26-044

TO: Members of the State Board of Community Colleges, Chairs of the Community College Boards of Trustees, Community College Presidents, Chief Academic Officers, Chief Admissions Officers, Basic Skills Directors, Business Officers, Continuing Education Officers, Customized Training Directors, Chief Financial Officers, Distance Learning, Financial Aid Officers, Personnel Officers, Student Development Administrators, Public Information Officers, Registrars, & Other Interested Parties

FROM: Jonnell Carpenter, *NCCCS General Counsel*

SUBJECT: Waiver of 1G SBCCC 200.93(b)(1)(2) and (c)(1) – Reporting of Student Hours in Membership for Curriculum Classes

DATE: July 21, 2026

On July 17, 2026, the State Board of Community Colleges (SBCC) approved the Waiver of **1G SBCCC 200.93(b)(1)(2) and (c)(1) – Reporting of Student Hours in Membership for Curriculum Classes**. The waiver allows implementation and evaluation of a pilot Competency-Based Education (CBE) program.

This State Board action has been published on the NC Community College System's website, [Numbered Memos - NCCCS \(ncccommunitycolleges.edu\)](https://ncccommunitycolleges.edu). For your convenience, the numbered memo detailing this change is attached above.

CC26-044

Email Copy
Attachment

STATE BOARD OF COMMUNITY COLLEGES
Waiver of 1G SBCCC 200.93(b)(1)(2) and (c) (1) - Reporting of Student Hours in Membership
for Curriculum Classes

Request: The State Board of Community Colleges (SBCC) is requested to approve a waiver of the rule 1G SBCCC 200.93(b)(1)(2) and (c)(1) Reporting of Student Hours in Membership for Curriculum Classes to allow implementation and evaluation of a pilot Competency-Based Education (CBE) program. The proposed waiver is intended solely to support the implementation and evaluation of the approved pilot program and does not constitute a permanent modification to State Board policy.

Authority: The State Board has the authority to waive any existing rule or portion of a rule in the SBCC Code to launch a pilot program. (1A SBCCC 200.3(a)(4)).

Duration of the Waiver: The waiver will remain in effect through August 15, 2027, for the selected pilot colleges.

Background: As learner expectations and workforce demands continue to evolve, this pilot provides an opportunity for the System Office to evaluate innovative approaches that support student success while informing future modernization of instructional, reporting, and support frameworks.

Competency-Based Education (CBE) is an instructional approach that measures student progress through demonstrated mastery of clearly defined competencies rather than elapsed instructional time. This approach has been adopted nationally to expand access for adult learners and other students who require flexible scheduling due to work, family, or other responsibilities. Consistent with NCCCS Strategic Plan (Strategy 4.2.3, Support colleges that pilot competency-based education pathways for students to accelerate their journey from education to a job using self-paced mastery models), and Belk Center research focused on adult learners, the proposed CBE model is informed by evidence emphasizing flexibility, clear expectations, timely feedback, and instructional designs that respond to the needs of working adults.

Content delivered using a competency-based format still has clearly defined learning outcomes that are fully equivalent in scope, rigor, and workforce relevance to the traditional certificate programs currently offered. Instruction will emphasize demonstrated mastery of competencies rather than fixed seat-time requirements, while maintaining appropriate faculty oversight, assessment integrity, and student support. CBE models allow flexibility in attendance without sacrificing compliance or accountability. Students will be permitted to engage with learning activities and assessments in a manner that accommodates work, family, and other responsibilities, while progress is evaluated through mastery of established competencies. Regular and substantive interaction (RSI) will be ensured through planned, faculty-initiated instructional activities, including proactive outreach, structured feedback, and ongoing academic support.

Wilkes Community College has been leading the System work in this area. They received State Board Reserve funds in January 2025 ([FC-03](#)) to explore and develop a CBE program. Since then, they have been working with national CBE experts through the Competency-Based Education Network (C-BEN) to design, evaluate, and prepare competency-based certificate programs and associated student support structures. They have also taken the time to plan the implementation of CBE within existing institutional systems and processes. This coordinated approach ensures that both academic and student support structures are aligned prior to implementation of the proposed CBE model.

Wilkes' work demonstrates the potential for expanding CBE opportunities across the System and identified a need for limited flexibility within existing State Board requirements. Because CBE delivery does not align with traditional seat-time calculations, participating colleges require a modified approach to reporting student hours during the pilot period. This temporary flexibility will allow the System to evaluate how competency-based instruction interacts with existing reporting and funding structures while maintaining instructional oversight, assessment integrity, student support, and fiscal accountability. Use of membership hours is necessary to accurately reflect the instructional, advising, and student support resources invested in this model while the pilot is evaluated.

Proposal Overview: The proposed waiver will provide limited flexibility from relevant seat-time and attendance requirements to allow approved pilot colleges to implement and evaluate CBE instruction.

To be considered for participation in the pilot, an institution shall submit an application to the System Office demonstrating its ability to successfully implement and evaluate the proposed competency-based education model. The application shall include:

- An implementation plan;
- A commitment to complete the pilot prior to the expiration of this waiver;
- Evidence of any required approvals, notifications, or acknowledgments from the institutional accrediting agency and any other applicable accrediting, regulatory, or governing entities;
- Agreement to participate in required data collection, reporting, and evaluation activities; and
- Identification of the institutional resources necessary to support implementation and ongoing operation of the pilot.

The scope of this pilot is intentionally limited to allow focused evaluation and continuous improvement. Participation will be limited to a small number of colleges to ensure appropriate oversight, evaluation, and support during implementation. Findings from the initial implementation will inform potential expansion and scaling of CBE offerings across the entire System. Should the model(s) demonstrate effectiveness, sustainability, and alignment with System goals, lessons learned may be used to inform modifications to State Board Code to better

position the System to competitively respond to the documented needs of adult learners in the future.

Potential Pilot Outcomes: The CBE pilot will allow partner colleges and the System to evaluate how a non-traditional instructional model can be implemented within existing curriculum, reporting, and funding frameworks while maintaining academic rigor and fiscal accountability. Outcomes and data generated during the pilot will inform decisions regarding future expansion and potential policy considerations related to competency-based instruction.

Potential outcomes of the pilot include:

- Evidence of expanded access and increased scheduling flexibility for adult learners and other students' balancing work, family, and educational commitments.
- Comparative data on student progression, completion patterns, and time-to-credential between competency-based and traditional instructional formats.
- Evaluation of how existing membership-hour reporting requirements align with a competency-based instructional model, including the relationship between student progression, institutional resource investment, and FTE generation.
- Assessment of instructional, advising, and success-coaching demands within a CBE framework compared to traditional course delivery.
- Evaluation of student satisfaction, persistence, and completion outcomes within a competency-based instructional model.
- Evaluation of the effectiveness of competency-based instruction in supporting workforce-aligned credential attainment.
- Identification of best practices, lessons learned, and policy considerations to support a potential multi-college pilot expansion of CBE offerings within the North Carolina Community College System in 2027–2028.

This pilot provides an opportunity to evaluate a nationally recognized instructional model within a controlled and accountable environment while maintaining academic quality, fiscal stewardship, and a focus on student success. The sections proposed to be waived are italicized below.

System Office Contact(s):

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State Board of Community Colleges Code
TITLE 1. COMMUNITY COLLEGES
CHAPTER G. FULL-TIME EQUIVALENT (FTE)



SUBCHAPTER 200. FTE REPORTING CATEGORIES/CRITERIA

1G SBCCC 200.93 Reporting of Student Hours in Membership for Curriculum Classes

- (a) Academic Term. College boards of trustees shall locally determine the beginning and end date for each academic term within the timeframes of the academic term reporting periods defined in 1G SBCCC 100.1, unless an exception is granted by the System President. The System President may grant an exception if it would not result in an overlap with another academic term, the 10% point of all course sections would fall within the corresponding academic term reporting period, and the exception would not negatively impact the college's ability to meet data reporting requirements. The academic semester for credit courses shall be designed so that classes may be scheduled to include the number of instructional hours shown in the college catalog and the approved curriculum program of study compliance document and reported for FTE purposes (see 1D SBCCC 400.95(a)). Instructional hours include scheduled class and laboratory sessions as well as examination sessions. Length of semesters or courses may vary as long as credit hours are assigned consistent with 1GSBCCC 100.1 and as long as membership hours are reported consistent with the other provisions of this Rule. If necessary to meet the needs of particular constituents (for example, courses provided at high schools, military bases, prisons, or at the specific request of business), without an exception by the System President, colleges may schedule curriculum course sections that fall outside the academic term beginning and end dates, as defined by the college's board of trustees. If such course sections cross academic term reporting periods, FTE enrollment shall be reported consistent with the provisions of 1G SBCCC 200.1(a).
- (b) Regularly Scheduled Classes.

- 1) A class is regularly scheduled if it meets all of the following criteria:
- a. Assigned definite beginning and ending time;
 - b. Specific days the class meets is predetermined;
 - c. Specific schedule is included on the Institution Master Schedule or other official college documents;
 - d. Class hours are assigned consistent with college catalog and curriculum standard requirements; and
 - e. Identified class time and dates are the same for all students registered for the class excluding clinical or cooperative work experience. This may include in-person or synchronously online, as long as the instructor and student are engaged in live interactions.
 - i. Classes which have a regularly scheduled lecture section and a non regularly scheduled laboratory section or online asynchronous option shall satisfy this criteria. The census date (10% point) shall be determined from the regularly scheduled portion of the class. Verification of student participation in the laboratory section or online asynchronous option of the class shall be available for review.
 - ii. A student shall be considered absent if that student did not attend during the specified times or days the class was scheduled to meet. Classes that have a regularly scheduled section which include in-person instruction or digitally delivered synchronous instruction and an option to attend asynchronously shall satisfy this criteria.
 - iii. A student shall be considered absent if that student did not attend during the specified times or days the class was scheduled to meet whether the class met in-person, synchronously, or asynchronously. Verification of student attendance in the asynchronous portion of the course shall be documented by electronic submission of content-related material.

- 2) A student shall be considered to be in class membership when the student meets all of the following criteria:
 - a. enrolled as evidenced by payment of the applicable tuition and fees, or obtained a waiver as defined in G.S. 115D-5(b);
 - b. attended one or more classes prior to or on the 10 percent point in the class;
 - c. has not withdrawn or dropped the class prior to or on the 10 percent point.
- 3) Definition of a Student Membership Hour. A student membership hour is one hour of scheduled class or laboratory for which the student is enrolled. A college shall provide a minimum of 50 minutes of instruction for each scheduled class hour. A college shall provide sufficient time between classes to accommodate students changing classes. A college shall not report more hours per student than the number of class hours scheduled in the approved curriculum program of study compliance document.
- 4) Calculation of Student Membership Hours for Regularly Scheduled Classes. Student membership hours are obtained by multiplying the number of students in membership at the 10 percent point in the class by the total number of hours the class is scheduled to meet for the semester as stated in the college catalog and the approved curriculum program of study compliance document (see 1D SBCCC 400.97(4)).
- 5) Maintenance of Records of Student Membership Hours. Accurate attendance records shall be maintained for each class through the 10 percent point of the class. Attendance records shall be signed by the instructor or lead instructor, verifying their accuracy, and shall be maintained by the college until released from all compliance reviews (see the Public Records Retention & Disposition Schedule for Institutions in the Community College System). Student membership hours shall be summarized in the Institution's Class Report and certified by the president or designee. For classes identified as non traditional delivery (see Subparagraph (e)(1) of this Rule), documentation of student contact prior

to the 10 percent point shall be maintained in the same manner as the attendance records mentioned in this Rule.

(c) Non Regularly Scheduled Classes.

- 1) A non regularly scheduled class may include any or all of the following:
 - a. a class where a definitive beginning and ending time is not determined;
 - b. a class offered in a learning laboratory type setting (see 1G SBCCC 200.94(b)(6) for definition of learning laboratory);
 - c. a class self paced in that the student progresses through the instructional materials at the student's own pace, and can complete the class as soon as the student has successfully met the educational objectives. Classes offered as independent study are generally offered in this manner;
 - d. a class in which a student may enroll during the initial college registration period or in which the student may be permitted to enroll at any time during the semester; or
 - e. any class not meeting all criteria for a regularly scheduled class, as shown in Subparagraph (b)(1) of this Rule, is considered to be a non regularly scheduled class for reporting purposes. Classes defined as non traditional (see Paragraph (e) of this Rule) or clinical practice (see Paragraph (g) of this Rule) which are identified as a separate student hour reporting category are not subject to the above provisions in Paragraph (c).
- 2) Definition of Student Membership. A student is considered to be in class membership when the student meets the following criteria:
 - a. enrolled as evidenced by payment of the applicable tuition and fees, or obtained a waiver consistent with 1E SBCCC Subchapter 800; and
 - b. attended one or more classes.
- 3) Definition of a Student Contact Hour. For non-regularly scheduled classes, student contact hour is defined as actual time of student attendance in a

class or lab. 60 minutes shall constitute an hour. A college shall not report more hours per student than the number of class hours scheduled in the approved curriculum program of study compliance document.

- 4) Calculation of Student Contact Hours for Non Regularly Scheduled Classes. For these classes, actual time of class attendance for each student determined to be in membership shall be reported. Student contact hours for these classes are the sum of all the hours of actual student attendance in a class in a given semester, and shall not exceed the hours in the approved curriculum program of study compliance document. (see 1D SBCCC 400.97(4)).
 - 5) Maintenance of Records of Student Contact Hours. Accurate attendance records shall be maintained for each class of the nature described in this Rule through the entire semester. Attendance records shall be signed by the instructor or lead instructor, verifying their accuracy, and shall be maintained by the college until released from all compliance reviews (see the Public Records Retention & Disposition Schedule for Institutions in the Community College System). Student contact hours shall be summarized in the Institution's Class Report and certified by the president or designee.
- (d) Skills Laboratory or Computer Tutorial Laboratory. Individualized instructional laboratories are similar to learning laboratories (see 1G SBCCC 200.94(b)(6)) except the participants are curriculum students. Skills labs or computer tutorial labs are remedial or developmental in nature and intended for students who are experiencing academic difficulty in a particular curriculum course. A skills laboratory instructor shall be qualified in the single subject area of the skills laboratory. A computer tutorial laboratory coordinator need not be qualified in any of the subject area(s) provided in a computer tutorial laboratory. Student contact hours may be reported for budget/FTE when students are required by their instructor to attend either of the laboratories for remedial or developmental work and when the skills laboratory instructors or computer tutorial coordinators are paid with curriculum instructional funds.

- 1) Documentation of instructor referral shall be maintained for compliance review purposes. The College shall maintain documentation until released from all compliance reviews.
- 2) Homework assignments shall not be reported for budget/FTE. (See 1G SBCCC 200.95(a)).
- 3) Calculation of Student Contact Hours for Skills Laboratory or Computer Tutorial Laboratory. For these classes, actual time of class attendance shall be reported; 60 minutes shall constitute an hour. Student hours generated for these types of classes are the sum of all the hours of actual student attendance in a class in a given semester.

(e) Classes Identified as Curriculum Non Traditional Delivery.

- 1) Definition. Due to the methodology by which instruction is delivered, non traditional delivery classes are not consistent with the definitions of regularly scheduled or non regularly scheduled classes described in this Rule. Non traditional delivery classes are defined as those classes which are offered through media such as internet, telecourses, videocassette and other electronic media excluding classes offered via the North Carolina Information Highway.
- 2) For those classes identified as non traditional delivery, student attendance in class or in an orientation session, submission of a written assignment or submission of an examination, is the basis for the determination of class membership at the 10 percent point of the class. Student membership hours earned in non traditional delivery classes shall be calculated by multiplying the number of students in membership, as defined in the prior sentence, times the number of hours assigned to the class in official college documents. For these classes, the number of hours assigned shall be consistent with the credit hours assigned according to 1G SBCCC 100.1, as well as the curriculum standard.
- 3) Non-traditional instruction delivered is pre-structured into identifiable units. Non traditional delivery classes do not include classes identified as independent study which are not media based.

(f) Curriculum Student Work Experience. The following criteria apply to the reporting guidelines for students enrolled in curriculum work experience, exclusive of work station based training. Examples of student work experience include cooperative education, practicums, and internships.

- 1) Student membership hours for student work experience shall not generate budget/FTE without prior approval by the System Office for such activities through the appropriate curriculum standard.
- 2) Work Experience. Work experience for curriculum courses shall earn budget/FTE at the 100 percent rate of assigned work experience hours and shall not exceed a maximum of 320 membership hours per student per semester.
 - a. These classes shall be coordinated by college personnel paid with college instructional funds and may be located in one or more sites.
 - b. These classes shall be specified in the approved curriculum of the college consistent with the applicable curriculum standard (see 1D SBCCC 400.97(3)(a)(ii)(D)).
 - c. The college shall maintain documentation of all student work experience hours.

(g) Clinical Practice. Colleges shall report instructional hours of curriculum courses which include clinical practice, as defined in 1D SBCCC 400.1(c)(2), consistent with the rules for regularly scheduled classes in Paragraph (b) of this rule if the course meets the following criteria:

- 1) Assigned definite beginning and ending time;
- 2) Specific days the class meets are predetermined, although class times, dates, and locations may vary for enrolled students;
- 3) Clinical hours scheduled are included on the Institution Master Schedule or other official college documents;
- 4) Class hours are assigned consistent with the college catalog and curriculum standards set forth in 1D SBCCC 400.8;
- 5) Class hours shall be scheduled to provide a minimum of 50 minutes of instruction; and

- 6) College instructors who are qualified to teach in the particular program supervise and are paid with college instructional funds for all scheduled class hours (classroom and clinical).

College personnel shall make documentation verifying student participation in clinical practice available for compliance purposes.

History Note: Authority G.S. 115D-6.1; S.L. 1995, c. 625;

Eff. September 30, 1977;

Amended Eff. July 24, 1978;

Emergency Amendment Eff. August 10, 1978 for a period of 120 days to expire on December 8, 1978;

Emergency Amendment Made Permanent With Change Eff. December 8, 1978;

Amended Eff. September 1, 1993; September 1, 1988; September 1, 1985; November 1, 1983;

Temporary Amendment Eff. June 1, 1997;

Amended Eff. [May 1, 2022](#); [September 1, 2018](#); [May 1, 2017](#); December 1, 2012; August 1, 2004; August 1, 2000; July 1, 1998.