

**University of North Carolina Guidelines for  
North Carolina General Statute 116-143.3, Section 8.16(a)  
(Tuition of active duty personnel in the armed services.)  
As amended by General Assembly Session 2003 Special Provision  
(September 2003)**

**Introduction.**

North Carolina has had a military tuition statute for many years (G.S. 116-143.3, Section 8.16(a)), which was amended during the 2003 session of the General Assembly. The following guidelines will help ensure consistency in interpretation of both those portions of the existing statute that remain applicable and the 2003 additions and changes to the statute. Although the statute also addresses military tuition as it relates to NC community colleges, these guidelines do not represent the NC Community College System regarding that portion of the statute.

**Relevant information that is not explicitly stated in the statute:**

Definition of active duty:

The statute applies to active duty military personnel. Active duty means that the individual is currently serving in one of the nation's uniformed armed services (Air Force, Army, Coast Guard, Marines, Navy) either as an enlisted person or as an officer. "Active duty" does not cover civilian employees of the armed services, individuals retired from the armed services, or dependents of active duty military personnel (see paragraph on dependents below). These individuals are subject to the standard UNC residency and tuition policies. If a member of the National Guard or an armed services Reserve unit is called into active duty, then the statute applies to that individual for as long as that person remains on active (rather than reserve) duty. The relevant date for determining active duty status for a given semester will be the same date or point in time that is established by UNC residency policies for qualification as a North Carolina resident.

Active duty military personnel who are legal North Carolina residents under North Carolina residency policies:

A person who is active duty military and who qualifies as a North Carolina resident under UNC residency and tuition policies will be charged at the in-state tuition and fee rate regardless of whether the military is paying military tuition assistance or whether the resident is stationed within or outside of North Carolina. If the military is paying the in-state tuition and fees (military tuition assistance) on behalf of the individual, the armed services have established procedures by which the military is billed for this third-party payment of tuition and fees.

**Provisions of the former G.S. 116-143.3 Section 8.16(a) that remain applicable:**

Dependents of active duty military personnel:

Any dependent relative of a member of the armed services who is abiding in this State incident to active military duty while sharing the abode of that member shall be eligible to be charged the in-state tuition rate if the dependent relative qualifies for admission to a UNC institution as defined in G.S. 116-143.1(a)(3). If the member of the armed services removes his or her abode from North Carolina during an academic year, the dependent relative shall continue to be eligible for the in-state tuition rate during the remainder of that academic year.

**2003 changes and additions to G.S. 116-143.3 Section 8.16(a):**

Active duty non-NC-residents who are admitted to a UNC institution and who are not receiving military tuition assistance:

Any active duty member of the armed services qualifying for admission to a UNC institution who is not a North Carolina resident for tuition purposes as defined in G.S. 116-143.1(a)(3) and who is not receiving military tuition assistance (*i.e.*, tuition and fees paid on behalf of the individual by the military) will be charged the in-state tuition rate and all applicable mandatory fees.

**Note:** Interpretation of the revised statute indicates that this will apply to active duty military personnel regardless of where they are stationed (*i.e.*, either inside or outside of North Carolina). Although this clarification is the only difference between the revised statute and the former statute in this regard, it could have significant implications for growth on UNC enrollments as e-learning programs become increasingly available.

Active duty non-NC-residents who are admitted to a UNC institution and who are receiving military tuition assistance:

The primary effect of the revised military tuition statute is to shift the costs of paying UNC tuition and fees from the individual to the military if the military is paying the maximum rate allowed for tuition and fees. Under the former statute, a complex formula resulted in the individual active duty military person paying some out-of-pocket tuition and fees in addition to any tuition assistance paid by the military. This process is greatly simplified now. For an active duty non-NC-resident receiving military tuition assistance, the military will be billed at the maximum rate it is authorized to pay, which for Federal Fiscal Year 2002-2003 (which extends to September 30, 2003) is \$250 per credit hour. There are no indications at this time (September 2003) that this rate will be different in the coming fiscal year.

This \$250 charge per credit hour will cover tuition and the Education and Technology fee, which is the only fee that will be charged. The Ed & Tech fee will be set at the campus rate, deducted from the \$250 per credit hour charge, and the remainder will be

treated as tuition receipts. The differential between these tuition receipts and the official non-resident tuition rate will be the amount of the military tuition waiver that the campus projects, tracks, and reports for state enrollment funding. The military will be billed for a single payment per military tuition assistance enrollment, and the campus will apportion the funds received between the Ed & Tech fee and tuition. Because the military pays military tuition assistance on the basis of number of hours taken, both on-campus and distance education instruction for such students will be billed on a per student credit hour rate rather than an FTE rate. The Ed & Tech fee will be prorated for the number of student credit hours taken in the same manner that distance education tuition rates are prorated. Fees that are not part of the mandatory fees charged to all students, such as parking fees, are not covered by this provision and may be separately billed to the student. Campuses may provide opportunities for military personnel to pay optional fees for other services such as recreation center or sports events.

### **Implications for UNC enrollment procedures:**

#### Projecting military tuition assistance enrollments and waiver amounts:

Although a discounted military tuition rate has been part of a North Carolina statute for many years, the revised statute makes it necessary and desirable to project military enrollments, track them, and account for waived tuition amounts in campus budget enrollment projections and reports. Revised enrollment projection sheets have been developed and will be distributed to UNC institutions as part of the regular budget enrollment setting process.

#### Tracking military enrollments:

Because UNC service to the US military is a priority for the University, all military applications and enrollments should be recorded and reported by campuses, and forms and procedures should be revised to accomplish this. Although military tuition waivers and military dependent waivers already will be tracked for the purpose of calculating the tuition offset amount to be funded by the State, it is desirable to account for all military enrollments in order to document the University's service to this important sector.