



## CHAPTER 115C

## ARTICLE 8B - SCHOOL-BASED MANAGEMENT AND ACCOUNTABILITY PROGRAM

## N.C.G.S. § 115C-105.25.

# Budget flexibility.

| SOURCE                                                                   | LAST AMENDMENT IN THIS TEXT    | RETRIEVED                    | SOURCE FINGERPRINT                                                     |
|--------------------------------------------------------------------------|--------------------------------|------------------------------|------------------------------------------------------------------------|
| General Statutes of North Carolina, as published by the General Assembly | No amendment history on record | 21 September 2026, 04:26 UTC | a177bc0031f269ddc92bf4d8 - a78a7f608363fde02fe1a011 - 65f24f3be0d2803f |

**§ 115C-105.25(a)** Consistent with improving student performance, a local board shall provide maximum flexibility to schools in the use of funds to enable the schools to accomplish their goals.

**§ 115C-105.25(b)** Subject to the following limitations, local boards of education may transfer and may approve transfers of funds between funding allotment categories:

- (1) Repealed by Session Laws 2013-360, s. 8.14, effective July 1, 2013.
- (1a) Funds for career and technical education and other purposes may be transferred only as permitted by federal law and the conditions of federal grants or as provided through any rules that the State Board of Education adopts to ensure compliance with federal regulations.
- (1b) No funds shall be transferred out of the children with disabilities allotment category.
- (2) , (2a)Repealed by Session Laws 2013-360, s. 8.14, effective July 1, 2013.
- (3) No funds shall be transferred into the central office administration allotment category.
- (3a) No funds shall be transferred out of the teacher assistants allotment category.
- (3b) No funds shall be transferred out of the academically or intellectually gifted children allotment category.
- (4) , (5)Repealed by Session Laws 2013-360, s. 8.14, effective July 1, 2013.

- (5a) No positions shall be transferred out of the allocation for classroom teachers for kindergarten through twelfth grade, except as provided in this subdivision. Positions allocated for classroom teachers may be converted to dollar equivalents to contract for visiting international exchange teachers through a visiting international exchange teacher program approved by the State. These positions shall be converted at the statewide average salary for classroom teachers, including benefits. The converted funds shall be used only to provide visiting international exchange teachers with salaries commensurate with their experience levels, to provide any State-approved bonuses, and to cover the costs associated with supporting visiting international exchange teachers within the local school administrative unit, including programming and related activities, background checks, medical coverage, and other program administration services in accordance with the federal regulations for the Exchange Visitor Program, 22 C.F.R. Part 62.
- (5b) Positions allocated for instructional support personnel may be converted to dollar equivalents for any purpose authorized by the policies of the State Board of Education. These positions shall be converted at the salary on the first step of the "A" Teachers Salary Schedule. Certified position allotments shall not be transferred to dollars to hire the same type of position.
- (5c) Funds allocated for school building administration may be converted for any purpose authorized by the policies of the State Board of Education. For funds related to principal positions, the salary transferred shall be based on the first step of the Base column of the Principal Salary Schedule. For funds related to assistant principal months of employment, the salary transferred shall be based on the first step of the "A" Teachers Salary Schedule at the salary level for assistant principals. Certified position allotments shall not be transferred to dollars to hire the same type of position.
- (5d) No positions shall be transferred out of the allocation for program enhancement teachers for kindergarten through fifth grade except as provided in this subdivision. Positions allocated for program enhancement teachers for kindergarten through fifth grade may be converted into positions allocated for classroom teachers for kindergarten through twelfth grade. For the purposes of this subdivision, the term "program enhancement" is as defined in G.S. 115C-301(c2).
- (6) through (9) Repealed by Session Laws 2013-360, s. 8.14, effective July 1, 2013.

- (10) Funds to carry out the elements of the Excellent Public Schools Act that are contained in Section 7A.1 of S.L. 2012-142 shall not be transferred.
- (10a) No funds shall be transferred out of the limited English proficiency allotment category.
- (11) No funds shall be transferred into or out of the driver education allotment category.
- (12) Funds allotted for textbooks and digital resources may only be used for the purchase of textbooks and digital resources. These funds shall not be transferred out of the allotment for any other purpose.
- (13) No positions shall be transferred out of the allocation for school health personnel except as provided in this subdivision. Positions allocated for school health personnel may be converted to dollar equivalents for contracted services directly related to school psychology, school counseling, school nursing, and school social work. These positions shall be converted at the minimum salary for the position on the "A" Teachers Salary Schedule.

**§ 115C-105.25(c)**

To ensure that parents, educators, and the general public are informed on how State funds have been used to address local educational priorities, each local school administrative unit shall publish information from the prior fiscal year on its website by October 15 of each year, as follows:

- (1) A description of each program report code, written in plain English, and a summary of the prior fiscal year's expenditure of State funds within each program report code.
- (2) A description of each object code within a program report code, written in plain English, and a summary of the prior fiscal year's expenditure of State funds for each object code.
- (3) A description of each allotment transfer that increased or decreased the initial allotment amount by more than five percent (5%), including all of the following information:
  - a. The amount of the transfer.
  - b. The allotment category into which the funds were transferred.
  - c. The purpose code for the funds following the transfer.

d.A description of any teacher positions fully or partially funded as a result of the transfer, including all subject areas taught by the teacher in the position.

e.The educational priorities that necessitated the transfer.

(4) Repealed by Session Laws 2017-57, s. 7.13(b), effective July 1, 2018.

(5) A chart that clearly reflects how the local school administrative unit spent State funds.

**§ 115C-105.25(d)** The local school administrative unit shall maintain information published pursuant to subsection (c) of this section on its website for at least three years after it is published.

**§ 115C-105.25(e)** No later than December 1 of each year, the Department of Public Instruction shall collect the information reported by local school administrative units pursuant to subsection (c) of this section and report the aggregated information, including available data from the two previous fiscal years, to the Joint Legislative Education Oversight Committee and the Fiscal Research Division. The report shall also include information on the use of the budget flexibility provided to Advanced Teaching Roles schools pursuant to G.S. 115C-311(j). (1995 (Reg. Sess., 1996), c. 716, s. 3; 1996, 2nd Ex. Sess., c. 18, ss. 18.24(h)-(k); 1998-212, s. 9.20(b); 1999-237, s. 8.25(c); 2001-424, s. 28.22; 2005-276, s. 7.22(a); 2006-69, s. 3(b); 2011-145, s. 7.13(g); 2011-391, s. 14(b); 2013-360, s. 8.14; 2015-241, ss. 8.33, 8.39(c), 8.47(a); 2016-94, ss. 8.5, 8.16; 2017-57, ss. 7.1(b), 7.2(b), 7.12, 7.13(a), (b), 7.23J(a), 8.3(d); 2017-197, s. 2.4; 2018-2, s. 4(a), (b); 2018-5, ss. 7.11(a), 8.2(g); 2019-247, s. 2.3(f); 2020-78, s. 2.6(c); 2021-180, s. 7.6(b); 2023-134, s. 7.27(b); 2025-25, s. 29(5).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II  
2 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

| REFERENCE         | APPEARS IN | OPERATIVE LANGUAGE IN THIS SECTION            |
|-------------------|------------|-----------------------------------------------|
| G.S. 115C-301(c2) | (b)(5d)    | ""program enhancement" is as defined in"      |
| G.S. 115C-311(j)  | (e)        | "Advanced Teaching Roles schools pursuant to" |

## APPARATUS III

## Citation

## FULL SECTION

N.C. Gen. Stat. § 115C-105.25 (2026).

## PINPOINT

N.C. Gen. Stat. § 115C-105.25(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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