



CHAPTER 115C
ARTICLE 14A - CHARTER SCHOOLS

N.C.G.S. § 115C-218.100.

Dissolution of a charter school.

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, 03:11 UTC	d49645b48dd56cfef613c462 - e4ce8ea2d3d00fb8ddb8bef7 - 1f7c5db097dff2d8

§ 115C-218.100(a) Funds Reserved for Closure Proceedings. - A charter school that has elected to participate in the North Carolina Retirement System pursuant to G.S. 135-5.3 shall, for as long as the charter school continues to participate in the North Carolina Retirement System, maintain for the purposes of ensuring payment of expenses related to closure proceedings in the event of a voluntary or involuntary dissolution of the charter school, one or more of the options set forth in this subsection. The minimum aggregate value of the options chosen by the charter school shall be fifty thousand dollars (\$50,000). The State Board of Education shall not allocate any funds under G.S. 115C-218.105 to a charter school unless the school has provided documentation to the State Board that the charter school has met the requirements of this subsection. Permissible options to satisfy the requirements of this subsection include one or more of the following:

- (1) An escrow account.
- (2) A letter of credit.
- (3) A bond.
- (4) A deed of trust.
- (5) Deposit of funds with the State Treasurer for investment under G.S. 147-69.2(b8), to the extent permitted by the Internal Revenue Code, as amended. The funds deposited with the State Treasurer, and any income earned thereon, are deemed State funds and shall be used solely for the provision of public education pursuant to this Article. The deposit and investment of funds under this subdivision are deemed essential to the provision of public education by the State.

§ 115C-218.100(-a1) In the event of a voluntary or involuntary dissolution of the charter school, the funds reserved for closure proceedings in subsection (a) of this section shall be used to pay wages owed to charter school employees, funds owed to the North Carolina Retirement System pursuant to G.S. 135-8, and funds owed to the State Health Plan, in that order. Other expenses shall be paid from the remaining balance in the funds reserved for closure proceedings in subsection (a) of this section.

§ 115C-218.100(b) Distribution of Assets. - Upon dissolution of a charter school, all net assets of the charter school purchased with public funds shall be deemed the property of the local school administrative unit in which the charter school is located, except capital-sourced assets. For purposes of this subsection, capital-sourced assets include (i) capital funds provided to a charter school by one or more counties pursuant to G.S. 115C-218.105(b1) and (ii) net assets purchased or improved with such funds, up to the total amount of the funds provided. Capital-sourced assets shall be deemed the property of the county or counties providing the funding and, if applicable, divided between the counties in proportion to the funds provided. (2014-100, s. 8.34(b); 2014-101, s. 7; 2015-168, s. 4; 2015-248, s. 8(a); 2022-53, s. 9.5(b); 2023-107, s. 6(a); 2023-134, s. 7.26(c).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
5 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. 135-5.3	(a)	"North Carolina Retirement System pursuant to"
G.S. 115C-218.105	(a)	"shall not allocate any funds under"
G.S. 147-69.2(b8)	(a)(5)	"the State Treasurer for investment under"
G.S. 135-8	(a1)	"North Carolina Retirement System pursuant to"
G.S. 115C-218.105(b1) and (ii)	(b)	"one or more counties pursuant to"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 115C-218.100 (2026).

PINPOINT

N.C. Gen. Stat. § 115C-218.100(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.

COLOPHON

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