

NUMBERED MEMO CC25-041

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: Amendment of 2A SBCCC 300.2 – Application for License Renewal

DATE: May 20, 2025

On May 16, 2025, the State Board of Community Colleges voted to amend the State Board Code, **2B SBCCC 300.2 – Application for License Renewal**. This amendment prioritizes the school bond as the primary reimbursement source, with the Student protection Fund serving as a backup if the bond is insufficient.

The amendment will be effective July 1, 2025. At that time, the amended rule will be published on the North Carolina Community College System’s website, [State Board Code - NCCCS \(nccommunitycolleges.edu\)](https://www.nccommunitycolleges.edu/state-board-code). For your convenience, a copy of the rule in its final form is attached to this memorandum.

CC25-041

E-mail Copy
Attachment

**State Board of Community Colleges Code
TITLE 2 – PROPRIETARY SCHOOLS**



CHAPTER A. PROPRIETARY SCHOOLS

SUBCHAPTER 300. LICENSURE

2A SBCCC 300.2 Application for License Renewal

- (a) All licenses issued shall expire on June 30.
- (b) All issued licenses shall extend from July 1 through June 30, inclusive; except that any license initially issued on or after April 1 shall expire on June 30 of the following calendar year.
- (c) Schools desiring the renewal of their license shall submit an application on or before March 1 of each year. The application shall be accompanied by the following:
 - (1) All information required of schools applying for an initial license that has not been previously submitted;
 - (2) Verification that the guaranty bond or alternative to the guaranty bond is in an amount equal to the greatest amount of unearned paid tuition in the school's possession at any time during the prior fiscal year.
 - (3) Copy of current catalog containing all information required of schools applying for initial license; and
 - (4) Any supplementary information necessary to bring information on the school up to date.
- (d) A certified check or money order in the amount established by the SBPS and published annually under the North Carolina Proprietary School Fee Schedule made payable to the North Carolina State Treasurer shall be received on or before March 1.
- (e) Proprietary schools shall make payment to the Student Protection Fund in the amount set forth in G.S. 115D-95.1. The full and timely payment into the Student Protection Fund is a condition of licensure. The State Board of Community Colleges shall not refund any payment to the Student Protection Fund in the event that a school's license is suspended or revoked.
- (f) Proprietary schools shall make adjustments to the guaranty bond or alternative to the

guaranty bond requirements of schools based on G.S. 115D-95.

- (g) The SBPS will tabulate the balance of the Student Protection Fund as of December 31 of each year and establish the percentage amounts identified in Subparagraph (e)(1) of this Rule.

History Note: Authority G.S. 115D-89; 115D-91; 115D-92; 115D-95.1; S.L. 2009-562 s.4;

Eff. September 1, 1993;

Amended Eff. [July 1, 2025](#); [February 1, 2024](#); [August 1, 2014](#); July 1, 2010; August 13, 2005; December 1, 2004