

NUMBERED MEMO CC25-063

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 1H SBCCC 200.2 – Withholding of State Funds or Administrative Support

DATE: July 22, 2025

On July 18, 2025, the State Board of Community Colleges voted to amend the State Board Code, **1H SBCCC 200.2 – Withholding of State Funds or Administrative Support**. This amendment replaces all references of SACSCOC with “institutional accrediting agency” in standards for continued State financial and administrative support.

The amendment will be effective August 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.

CC25-063

E-mail Copy
Attachment

**State Board of Community Colleges Code
TITLE 1. COMMUNITY COLLEGES**



CHAPTER H. FISCAL MANAGEMENT

SUBCHAPTER 200. STATE FUNDS

1H SBCCC 200.2 Withholding of State Funds or Administrative Support

(a) Institutions shall be operated in compliance with G.S. 115D and all rules in this Title. In order for an institution to continue receiving State financial and administrative support, the institution shall:

- (1) Maintain accreditation an institutional accrediting agency in accordance with North Carolina law and acquire and maintain accreditation or licenses for each program offered which has an individual accreditation or licensure requirement in accordance with G.S. 115D-5(a) and 1B SBCCC 400.96.
- (2) Employ faculty, assign teaching and non-teaching loads, and provide technical assistance to faculty consistent with the criteria of its institutional accrediting agency in accordance with 1C SBCCC 300.97; 1D SBCCC 200.93; and 400.93.
- (3) Submit required data to the System Office on each of the performance measures and publish the ratings on each measure in accordance with G.S. 115D-31.3 and 1B SBCCC 400.98.
- (4) Complete and submit to the System Office all reports in accordance with the North Carolina Community College System Annual Reporting Plan that the System Office communicates to the colleges.
- (5) Manage institutional operations and resources consistent with law. An institution that receives four or more written findings in its final published financial statement audit conducted under G.S. 115D-58.16 for two consecutive audit cycles shall be in violation of this Rule.
- (6) Report the intentional damage, theft, embezzlement, or misuse of any state-owned personal or real property by institutional officials or employees to the Director of the State Bureau of Investigation in accordance with G.S. 143B-920.
- (7) Comply with 1C SBCCC 200.94.

(8) Comply with any request for information, documents, or any other request of the State Board.

(b) In addition to the provisions of G.S. 115D-6, the State Board may withhold funds for the president's salary or terminate state financial and administrative support of any institution that fails to comply with any provision of Paragraph (a) of this Rule.

History Note: Authority G.S. 114-15.1; 115D-4.1; 115D-5; 115D-6; 115D-31.3; 115D-32;

Eff. [November 1, 2015](#).

Amended Eff. [August 1, 2025](#).