

NUMBERED MEMO CC25-048

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

DATE: May 20, 2025

On May 16, 2025, the State Board of Community Colleges (SBCC) initiated the rulemaking process to amend **1H SBCCC 200.2 – Withholding of State Funds or Administrative Support**. The proposed amendment would replace all references of Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) with “institutional accrediting agency” for the standards to continue receiving State financial and administrative support. The proposed amendment is published on the NC Community College System's website, [Numbered Memos - NCCCS \(ncccommunitycolleges.edu\)](https://www.ncccommunitycolleges.edu/numbered-memos-ncccs). For your convenience, a copy of the proposed rule, with the changes indicated, is attached to this memorandum. Strikethroughs indicate deletions of existing language and underlines indicate additions of language.

Any member of the public has the right to submit written comments on the proposed rule. Please note that any person who submits public comments on behalf of their community college should comply with their college’s local process for submitting comments on a proposed rule. **Written comments on the rule must be received by no later than 5:00 p.m. on June 19, 2025.** Any member of the public has the right to request a hearing on the proposed rule. **Requests for a hearing must be received by no later than 5:00 p.m. on June 4, 2025.**

Written comments and requests for hearing shall be directed to the following address:
Jonnell Carpenter, 5001 Mail Service Center, Raleigh, NC 27699-5001 or by email to
publiccomments@nccommunitycolleges.edu. Thank you for your attention to this matter.

CC25-048

Email Copy
Attachment



State Board of Community Colleges Code

Notice of Proposed Rulemaking Form

Date: May 20, 2025

Title, Chapter, Subchapter, and Rule Number of Rule Proposed to be Adopted, Amended, or Repealed	Amend 1H SBCCC 200.2 – Withholding of State Funds or Administrative Support
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Specify whether the SBCC proposes to amend, adopt, or repeal a rule:

Adopt (new rule)	Amend (change existing rule)	Repeal (delete entire rule)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Rationale for proposed adoption, amendment, or repeal:	Recent North Carolina legislation allows community colleges to use accreditors other than SACSCOC. Updating the State Board Code ensures legal compliance as well as providing clear guidance on accreditor selection and maintain system wide accountability and access to federal funding.
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Proposed Effective Date of Rule	August 1, 2025
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1H SBCCC 200.2 is proposed for amendment as follows:



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

3
4 **CHAPTER H. FISCAL MANAGEMENT**

5
6 **SUBCHAPTER 200. STATE FUNDS**

7
8 **1H SBCCC 200.2 Withholding of State Funds or Administrative Support**

9 (a) Institutions shall be operated in compliance with G.S. 115D and all rules in this Title.

10 In order for an institution to continue receiving State financial and administrative
11 support, the institution shall:

12 (1) Maintain accreditation ~~with an institutional accrediting agency in accordance with~~
13 North Carolina law the Southern Association of Colleges and Schools Commission
14 ~~on Colleges~~ and acquire and maintain accreditation or licenses for each program
15 offered which has an individual accreditation or licensure requirement in
16 accordance with G.S. 115D-5(a) and 1B SBCCC 400.96.

17 (2) Employ faculty, assign teaching and non-teaching loads, and provide technical
18 assistance to faculty consistent with the criteria of ~~the Southern Association of~~
19 ~~Colleges and Schools Commission on Colleges~~ its institutional accrediting agency
20 in accordance with 1C SBCCC 300.97; 1D SBCCC 200.93; and 400.93.

21 (3) Submit required data to the System Office on each of the performance measures
22 and publish the ratings on each measure in accordance with G.S. 115D-31.3 and
23 1B SBCCC 400.98.

24 (4) Complete and submit to the System Office all reports in accordance with the North
25 Carolina Community College System Annual Reporting Plan that the System
26 Office communicates to the colleges.

27 (5) Manage institutional operations and resources consistent with law. An institution
28 that receives four or more written findings in its final published financial statement
29 audit conducted under G.S. 115D-58.16 for two consecutive audit cycles shall be
30 in violation of this Rule.

1 (6) Report the intentional damage, theft, embezzlement, or misuse of any state-owned
2 personal or real property by institutional officials or employees to the Director of
3 the State Bureau of Investigation in accordance with G.S. 143B-920.

4 (7) Comply with 1C SBCCC 200.94.

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

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

10
11 *History Note: Authority G.S. 114-15.1; 115D-4.1; 115D-5; 115D-6; 115D-31.3; 115D-32;*

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

13 *Amended Eff. _____*

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