

Frequently Asked Questions Related to Local Charter School Funding Transfers

Prepared By: Superintendent's Office and School Business Services

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Purpose of this Document:

NC DPI published the Local Charter School Funding Transfer Guidance document. This document can be found on DPI's website. The purpose of this document is to provide NC Public School Units with answers to Frequently Asked Questions about Local Charter School Funding Transfers.

This document will be updated periodically, as updated questions and answers are added.

Other than statutory and regulatory requirements included in the document, such as those pursuant to the authorizing statute and other applicable laws and regulations, the contents of this document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies. In addition, it does not create or confer any rights for or on any person.

Please be sure to consult with your Board Attorney in making decisions.

Frequently Asked Questions:

1. Q: Are a Google document that limits access to only the points of contact at the LEA and charter school, or a password-protected file attached to an email considered a safe way to gather the student data?

A: NCDPI has published a best practice guide to support best-practices in sensitive data transfer. If not specifically addressed, a PSU may need to consult with its legal team to ensure the process it selects for transferring PII is compliant with FERPA.

Best Practices Guide: [PII and Email for information and instruction on transmitting private information electronically.](#)

2. Q. What ADM does the LEA use when completing this template? ADM that shows on our monthly PMR? Allotted ADM? Best 1 of 2?

A. ADM is not used in this calculation. Per NCGS 115C-218.105(c) Charter schools shall send the enrollment verification and transfer request document to the local school administrative units on a monthly basis.

3. Q. Is paying on a 9-month schedule (Oct-Jun) going to meet the 30-day requirement?

A. Per NCGS, the per pupil share of the local current expense fund shall be transferred to the charter school within 30 days of the later of (i) the receipt of monies into the local current expense fund or (ii) the receipt by a local school administrative unit of the enrollment verification and transfer request document as provided under subsections (c2) and (c3) of this section from the charter school.

The 9-month schedule is a suggestion based on the month in which most PSUs will complete their first 20 instructional days. The 9-month schedule may need to be adjusted, to start sooner or use a longer schedule, for an LEA to be compliant with the 30-day requirement.

Note, per NCGS, if the local school administrative unit receives additional monies into the local current expense fund following the initial transfer to the charter school, the local school administrative unit shall transfer the per pupil share of those additional monies to the charter school within 30 days of receipt of those monies.

4. Q. So we can make 9 payments October thru June and don't have to make payments in July, August and September?

A. The 9-month schedule is a suggestion based on the month in which most PSUs will complete their first 20 instructional days. The 9-month schedule may need to be adjusted for an LEA to be compliant with the 30-day requirement. Based on different start dates an LEA may need to start sooner. Additional receipt of funds by the LEA may also trigger additional payments.

Note, per NCGS, if the local school administrative unit receives additional monies into the local current expense fund following the initial transfer to the charter school, the local school

administrative unit shall transfer the per pupil share of those additional monies to the charter school within 30 days of receipt of those monies.

5. Q. What approach will an LEA use to pay the state funding? Are they using the allotments and divide by 9? Or is there something else better to use?

A. The LEAs do not pay the charter school State Funds. The LEAs provide the local county appropriation funding. NCDPI provides the state funds to the charter schools.

Per NCGS, the per pupil share of the local current expense fund shall be transferred to the charter school within 30 days of the later of (i) the receipt of monies into the local current expense fund or (ii) the receipt by a local school administrative unit of the enrollment verification and transfer request document as provided under subsections (c2) and (c3) of this section from the charter school.

6. Q. Does the charter have to provide the same total monies in each fund received to the LEAs or is this just a one-way process only?

A. Per NCGS, the local school administrative unit must provide this information.

7. Q. For reporting capital, do we only include County appropriations, and not lottery or bond funds?

A. Per G.S. 115C-218.105(d), the LEA shall also provide each charter school to which it transfers a per pupil share of its local current expense fund with all the following information within the 30-day time period provided in the "Payment" section above:

The total amount of monies the local school administrative unit has in each of the funds listed in G.S. 115C-426(c). Specifically, this information should include:

1. The state public school fund.
2. The local current expense fund.
3. The capital outlay fund.

An LEA should include revenues it has received in its capital outlay fund. An LEA may want to include additional information to explain the sources of funds it has included in the capital outlay fund.

8. Q. When you say report Fund 1,2, and 4 information each month, is that expenses or revenue for that month?

A. Revenues, per NCGS, the LEA must report the total amount of monies the local school administrative unit has in each of these funds listed in G.S. 115C-426(c).

9. Q. How do LEAs determine if the students listed are actually our county's students? Do LEAs have to verify home address for each student?

A. NC DPI does not provide guidance or instructions on validating student addresses. An LEA is not required to confirm the home address for each student but may choose to perform a due diligence review of the students addresses.

10. Q. Will this new transfer request template calculation mirror the SIS data totals collected by DPI or will it "average out" to be about the same?

A. The number of students listed on the transfer request template will only list the students that reside in the local school administrative unit jurisdiction. There is no report at this time that can be run in the SIS to obtain this information.

11. Q. Using the Best 1 of 2 ADM Report for the PPA calculation aligns the state's funding formula, but now we must report the actual for each PMR period. Does the law require the use of actual PMR for each interval or is this also suggested guidance from DPI?

A. ADM is not used in this calculation. While most State funds must be allotted based on an amount equal to the average per pupil allocation for average daily membership, per NCGS 115C-218.105(c) the shall transfer to the charter school an amount equal to the per pupil share of the local current expense fund of the local school administrative unit.

This section goes on to also say Charter schools shall send the enrollment verification and transfer request document to the local school administrative units on a monthly basis.