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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL DRS45458-NHa-208

Short Title:	Every School Has Resources Act.	(Public)
Sponsors:	Senators Chaudhuri and Robinson (Primary Sponsors).	
Referred to:		

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A GRANT PROGRAM TO ASSIST LOCAL SCHOOL ADMINISTRATIVE UNITS WITH CREATING A DEVELOPMENT DIRECTOR POSITION.

Whereas, many local school administrative units in North Carolina – particularly rural, small, and low-wealth units – lack the administrative capacity to pursue external grant funding, philanthropic partnerships, and community development opportunities; and

Whereas, dedicated development staff at the unit level have proven effective at unlocking supplemental funding streams that reduce dependence on local property taxes and State appropriations; and

Whereas, the upfront cost of hiring a Development Director creates a barrier for local school administrative units that would benefit most, as local boards of education are understandably reluctant to commit current expense fund revenues to a position before its return on investment is established; and

Whereas, a phased, performance-linked grant model will allow local school administrative units to build development capacity while assuming a graduated share of the financial commitment as the position demonstrates measurable results; and

Whereas, North Carolina has a compelling interest in ensuring that all local school administrative units, regardless of wealth or size, have equitable access to external funding opportunities that support the sound basic education of students across the State, consistent with Article IX of the North Carolina Constitution; and

Whereas, transparent reporting requirements protect taxpayers and give the General Assembly the information needed to evaluate program effectiveness and make responsible decisions about program renewal; Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1.(a) Definitions. – As used in this section, the following definitions apply:

(1) Development Director. – A full- or part-time employee of an eligible unit whose primary duties include identifying, pursuing, and managing external funding opportunities for the eligible unit, including competitive grants, private philanthropy, corporate sponsorships, and community partnerships. The position may be titled Director of Development, Grants Manager, Director of Grants and Community Partnerships, or a similar designation, provided the primary duties are substantially equivalent.

(2) Eligible unit. – A local school administrative unit, as defined in G.S. 115C-5(6), that does not currently employ a full-time staff member

whose primary duties are grant writing and development, and satisfies at least one of the following:

a. Is located in a county with a population of fewer than 150,000 persons according to the most recent decennial census.
b. Qualifies for supplemental funding under G.S. 115C-472.22.
c. Has a percentage of students eligible for free or reduced-price meals under the National School Lunch Act at or above the statewide average for the prior school year.

(3) External funds raised. – Revenues attributable to the efforts of the Development Director that derive from sources outside the eligible unit's State and local formula allocations and standard federal entitlement grants, including competitive grants, private foundation awards, corporate contributions, and documented in-kind donations with verified market value.

(4) Grant year. – A 12-month period beginning on the effective date of each annual award.

(5) Total position cost. – All costs directly attributable to the Development Director position in a grant year, including salary, employer payroll taxes, health insurance, retirement contributions, and documented professional development expenses.

SECTION 1.(b) Establishment; Term. – There is established the Every District Has Resources Grant Program (Program) to assist eligible units in establishing a Development Director position. To the extent funds are made available for this purpose, the Department of Public Instruction (Department) shall administer the Program in accordance with this act. The Program shall commence with the 2026-2027 fiscal year and conclude June 30, 2029.

SECTION 1.(c) Application. – An eligible unit may apply for a grant under the Program by submitting a written application to the Department on a form and according to a schedule prescribed by the Department. At a minimum, the application shall include the following:

(1) A description of the eligible unit's current development capacity and prior grant history.

(2) A detailed plan for recruiting, hiring, and supervising the Development Director.

(3) A proposed budget for the Development Director position for all three grant years, including anticipated sources of matching funds for grant years two and three.

(4) A written commitment from the local board of education, adopted by resolution at a duly noticed public meeting, authorizing participation in the Program and certifying the unit's intent to provide required matching funds in grant years two and three.

(5) Identification of specific external funding opportunities the Development Director will initially pursue.

(6) Any additional information the Department deems necessary for Program administration.

SECTION 1.(d) Applicant Selection. – The Department shall notify all applicants of award decisions within 60 days of the application deadline. If the number of applicants exceeds available funds, the Department shall give priority to eligible units in the following order:

(1) Units with the highest percentage of students eligible for free or reduced-price meals.

(2) Units that qualify for supplemental funding under G.S. 115C-472.22.

(3) Units with the lowest average daily membership for the prior school year.

(4) Units that have never previously employed dedicated development or grant-writing staff.

(5) Units demonstrating the most credible external funding pipeline.

SECTION 1.(e) Awards; Matching Funds. – Eligible units selected to receive an award shall receive the award for three consecutive grant years, subject to the annual performance and reporting requirements of this act and any other requirements of the Department. Awards in grant years two and three require matching funds, which may come from any source other than State funds. Eligible units may also supplement the position with non-State funds. Award amounts and matching requirements for each year are as follows:

(1) Grant year one. – The Department shall fund up to one hundred percent (100%) of the total position cost, not to exceed seventy-five thousand dollars ($75,000) per eligible unit.

(2) Grant year two. – The Department shall fund up to fifty percent (50%) of the total position cost, not to exceed thirty-seven thousand five hundred dollars ($37,500). The unit shall provide matching funds equal to the remaining fifty percent (50%) or more.

(3) Grant year three. – The Department shall fund up to twenty-five percent (25%) of the total position cost, not to exceed eighteen thousand seven hundred fifty dollars ($18,750). The unit shall provide matching funds equal to the remaining seventy-five percent (75%) or more.

SECTION 1.(f) Use of Funds; Position Continuity. – Funds awarded under the Program may only be used for total position cost. An eligible unit receiving an award shall maintain the Development Director position throughout each grant year for which funds are received. An eligible unit that eliminates the position during a grant year shall repay to the Department a prorated portion of the award for that year, as determined by the Department.

SECTION 1.(g) Continuation Eligibility. – A unit's eligibility to continue receiving Program funds in grant years two and three is contingent upon the following:

(1) Timely submission of the annual performance report for the preceding grant year.

(2) Verification by the Department that the Development Director position was maintained for the full preceding grant year.

(3) Verification that required matching funds were contributed in the preceding grant year.

(4) A written finding by the Department that Program participation by the unit remains consistent with the purposes of this act. The Department may waive the requirement of this subdivision if an eligible unit experiences a documented extraordinary circumstance, including natural disaster, sudden enrollment decline, or a financial emergency declared by the Local Government Commission. Any such waiver shall be granted in writing and supported by written findings.

SECTION 1.(h) Audits. – The Department or the North Carolina Office of the State Auditor may audit any participating unit to verify the accuracy of expenditure reports and compliance with Program requirements. Participating units shall maintain all financial records related to the Program for a minimum of five years following the close of the final grant year. At the discretion of the Department, any unit that receives an award and fails to comply with the requirements of this act or applicable rules may be required to repay all or a portion of the grant funds to the Department, with interest as established by State Board of Education rule.

SECTION 1.(i) Annual Unit Performance Report. – Each participating unit shall submit an annual performance report to the Department no later than 90 days following the close of each grant year. The annual performance report shall include all of the following:

(1) Fiscal summary. – A complete accounting of:

a. Total position cost for the grant year, itemized.
b. Amount of Program grant funds received.
c. Total matching funds contributed, listed by source.

(2) External funds raised. – A complete accounting of all external funds raised during the grant year, including:
a. The name and type of each funding source.
b. The amount awarded or pledged.
c. The date of award or pledge.
d. The project or purpose funded.

(3) Return on investment statement. – A calculation of the ratio of external funds raised to total position cost for the grant year, expressed as a dollar return per dollar of total position cost.

(4) Pipeline report. – A description of pending applications, active cultivation relationships, and anticipated external funding opportunities in the subsequent year.

(5) Narrative summary. – A written narrative describing the Development Director's activities, measurable outcomes, challenges encountered, and recommendations for Program improvement.

SECTION 1.(j) Reporting. – No later than October 1 of each year of the Program, the Department shall report to the Joint Legislative Education Oversight Committee and make publicly available on its website the following information:

(1) The number of units that applied for and received awards.
(2) The total amount of Program funds disbursed.
(3) The total external funds raised across all participating units.
(4) The aggregate return on investment for the Program statewide.
(5) The geographic, demographic, and wealth characteristics of participating units.
(6) A comparison of external funds raised by grant year to assess whether development capacity grows over the Program cycle.
(7) A recommendation from the Superintendent of Public Instruction as to whether the Program should be continued, expanded, modified, or allowed to expire, with supporting rationale and data.
(8) Any other information the Department deems relevant to evaluating effectiveness of the Program.

SECTION 2. There is appropriated from the General Fund to the Department of Public Instruction the sum of one million dollars ($1,000,000) in nonrecurring funds for the 2026-2027 fiscal year to establish and administer the Every District Has Resources Grant Program, as authorized by this act. At the end of each fiscal year during the Program, unencumbered Program funds shall not revert to the General Fund but shall be transferred to the Needs-Based Public School Capital Fund.

SECTION 3. This act becomes effective July 1, 2026, and applies beginning with the 2026-2027 school year.