



MEMORANDUM

TO: Teachers' and State Employees' Retirement System (TSERS) Board of Trustees

FROM: Taylor Matyi
Policy Development Analyst
Retirement Systems Division (RSD)

DATE: April 24, 2025

RE: Charter School Withdrawal Report

During the January 30, 2025 TSERS Board of Trustees Meeting, the TSERS Board asked RSD staff to gather data and information pertaining to Charter Schools that participate in TSERS and charter schools that have withdrawn from TSERS.

54 of the 213 active charter schools for the 2024-25 school year participate in TSERS. Since 2016, there have been nine charter schools who have withdrawn from TSERS with a total liability of \$14,693,632.00, of which \$11,587,983.98 has been paid. There are three schools which make up the remaining balance of \$3,105,648.02 of withdrawal liabilities: Bridges Charter School, Children's Village Academy, and Invest Collegiate Charter (Davidson).

RSD received \$422,806.98 of the \$1,187,323.00 total withdrawal liability for Bridges Charter School through receivership.

Children's Village Academy (closed on 07/01/2024) and Invest Collegiate Charter (Davidson) (closed on 07/01/2023) did not have their charters renewed by the Department of Public Instruction which resulted in school changing to a business or legal form not eligible for participation as an employer in the Retirement System under federal law pursuant to G.S. 135-8(i). These schools were both informed of the withdrawal liability and requirement to pay for their liabilities prior to their closure, however, RSD has not received payment.

Six charter schools have withdrawn from TSERS since 2016 and fully paid their withdrawal liabilities: KIPP Halifax College Prep Charter School (2016), Pioneer Springs Community Charter School (2020), Grandfather Academy (2020), KIPP Charlotte Charter School (2020), Casa Esperanza Montessori Charter School (2021), and Gaston College Preparatory Charter ("KIPP Gaston") (2021).