



# PUBLIC SCHOOLS OF NORTH CAROLINA

DEPARTMENT OF PUBLIC INSTRUCTION | June St. Clair Atkinson, Ed.D., *State Superintendent*

WWW.NCPUBLICSCHOOLS.ORG

August 13, 2014

TO: All Charter School Administrators and Charter Board Chairs

FROM: Philip W. Price

A handwritten signature in black ink, appearing to read "Philip W. Price".

RE: **CHARTER SCHOOL PUBLIC RECORDS EXPECTATIONS**

This memorandum is provided to you to highlight the provisions of Senate Bill 793 (S.L. 2014-101) pertaining to charter schools and public records. In addition, for those charter school boards that contract with management companies, this memo contains a request for certain information, which, pursuant to your Charter is required to be provided to the Department of Public Instruction.

## **A. Senate Bill 793 and Public Records**

On August 7, 2014, Governor McCrory signed Senate Bill 793 into law. This bill adds, into statute, a specific legal requirement for charter schools to abide by the NC Open Meetings Law and Public Records Act. In his press release announcing the signing of the bill, the Governor made the following comments: "I have also asked Chairman Bill Cobey and members of our State Board of Education (SBE) to ensure that contracts with private entities also provide transparency on salaries and other personnel information. Consistent with the State Board of Education's authority to oversee the successful operations of public charter schools, Chairman Cobey has assured me that he will direct agency staff to collect information from charter schools, including all financial and personnel records, necessary to achieve that goal."

The new law expressly places the burden of compliance with the Public Records Act upon the charter school and board of directors that operates the charter school. This new law does not change the requirements set forth in the Charter. Charter schools are expected to comply with requests from the public or the media for public records as defined in G.S. 132-1 of the Public Records Act. In addition, there are requirements contained in the Charter, not altered by the new legislation, that address general reporting requirements. For example, Paragraph 12.1 of the Charter expressly requires as follows:

"Subject to state and federal laws, the local board of education, the SBE, its agents, and the State Auditor shall have the right to examine and copy all records, reports, documents, and files relating to any activity, program, or student of the Public Charter School."

## **OFFICE OF FINANCIAL AND BUSINESS SERVICES**

Philip W. Price, *Chief Financial Officer* | Philip.Price@dpi.nc.gov

6326 Mail Service Center, Raleigh, North Carolina 27699-6326 | (919) 807-3600 | Fax (919) 807-3604

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

This provision, among others, reinforces the expectation, embodied in the Charter School Law, and of the public at large, that the State Board of Education, and other agencies involved in overseeing public funding, have adequate access to information necessary to properly execute the laws of this State.

A charter school board may choose to contract with a vendor or company, such as an educational management organization (EMO), to perform certain services in connection with the operation of the charter school. Even if services are contracted, a charter school's nonprofit board is obligated to abide by the provisions set forth in the Charter, including reasonable requests for information and records submitted by the SBE, or its agents, or by the State Auditor, or any other state agency that requires information in order to properly execute its powers.

#### **B. Information Required to be Submitted**

Pursuant to Paragraph 12.1 of the Charter, you are required to provide the following information if, for the 2014-15 school year, your charter school has contracted with a vendor or company, such as an EMO, to operate or help staff the charter school:

- A list of all employees paid by the EMO (or any vendor) that are assigned to manage or work at the school. Minimum information to be included:
  - Name
  - Duties (brief description)
  - Annual Salary
- A Budget/expenditure report that outlines each year of the contract
  - A description of the activity
  - Budget amount (sum of which equals the contract total)
  - Prior year/current year expenditures

This information is due to the Office of Charter Schools by September 30, 2014, and is required to be submitted to the Office of Charter Schools annually on that date moving forward.

Failure to comply with the requirements above will be considered a violation of the Uniform Education Reporting System and will result in financial non-compliance per State Board of Education policy TCS-U-006. This policy can be found at <http://sbepolicy.dpi.state.nc.us/>.

If you have questions, please contact the Office of Charter Schools (919) 807-3491.

PWP/JM/tm