



State of North Carolina

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March 11, 1997

Dr Richard Thompson  
Deputy Superintendent  
Public Schools of North Carolina  
301 North Wilmington Street  
Raleigh, North Carolina 27601

Dear Dr Thompson

You have requested the opinion of this office with respect to the interpretation of the following provision in G S 115C-238 29E(b): "A charter school shall be operated by a private nonprofit corporation " Specifically you have asked whether a private nonprofit corporation that establishes a charter school may legally contract with a for-profit corporation to actually manage the day-to-day operations of the school In our opinion there is nothing in the charter school law to prohibit a charter school's contracting out for services, including the contracting out for overall management of day-to-day affairs, as long as the board of the nonprofit corporation retains the authority and responsibility to make policy decisions on behalf of the charter school

The statute provides, as set out above that a charter school "shall be operated by a private nonprofit corporation." (emphasis added) The term "operate" means, among other things, "to control the functioning of," to "manage," and to "run." American Heritage College Dictionary (3rd Ed 1993). None of these definitions connotes the necessity to manage the day-to-day affairs of an entity Furthermore, the charter school law provides that "The board of directors of the charter

school shall decide matters related to the operation of the school, including budgeting, curriculum, and operating procedures." G.S.115C-238.29 E(d). Nowhere do we find a provision that the board of directors actually manage the day-to-day affairs of the charter school. More specifically, the statutes contain no provision that prohibits the nonprofit corporation that holds the charter from contracting with any other persons or entities to administer the school on a day-to-day basis. Thus, assuming all other relevant legal, educational, and financial requirements are met, a private, nonprofit corporation that seeks to establish a charter school may contract with a for-profit corporation to oversee the day-to-day operations of the charter school, as long as that corporation is bound to abide by the board of directors' policies and procedures and the board of directors of the charter school retains the overall authority to decide "matters related to the operation of the school" as provided by statute.

Sincerely,

*Thomas J Ziko*  
*by CEC*

Thomas J Ziko  
Special Deputy Attorney General

TJZ:fr

cc: Dr Jay Robinson  
Dr. Michael E Ward ✓