

**§ 143B-168.12. North Carolina Partnership for Children, Inc.; conditions.**

- (a) In order to receive State funds, the following conditions shall be met:
- (1) The North Carolina Partnership shall have a Board of Directors consisting of the following 26 members:
    - a. The Secretary of Health and Human Services, ex officio, or the Secretary's designee.
    - b. Repealed by Session Laws 1997, c. 443, s. 11A.105.
    - c. The Superintendent of Public Instruction, ex officio, or the Superintendent's designee.
    - d. The President of the Community Colleges System, ex officio, or the President's designee.
    - e. Three members of the public, including one child care provider, one other who is a parent, and one other who is a board chair of a local partnership serving on the North Carolina Partnership local partnership advisory committee, appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate.
    - f. Three members of the public, including one who is a parent, one other who is a representative of the faith community, and one other who is a board chair or designee of the board chair of a local partnership serving on the North Carolina Partnership local partnership advisory committee, appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives.
    - g. Twelve members, appointed by the Governor. Three of these 12 members shall be members of the party other than the Governor's party, appointed by the Governor. Seven of these 12 members shall be appointed as follows: one who is a child care provider, one other who is a pediatrician, one other who is a health care provider, one other who is a parent, one other who is a member of the business community, one other who is a member representing a philanthropic agency, and one other who is an early childhood educator.
    - h. Repealed by Session Laws 1998-212, s. 12.37B(a), effective October 30, 1998.
    - h1. The Chair of the North Carolina Partnership Board shall be appointed by the Governor.
    - i. Repealed by Session Laws 1998-212, s. 12.37B(a), effective October 30, 1998.
    - j. One member of the public appointed by the General Assembly upon recommendation of the Majority Leader of the Senate.
    - k. One member of the public appointed by the General Assembly upon recommendation of the Majority Leader of the House of Representatives.
    - l. One member of the public appointed by the General Assembly upon recommendation of the Minority Leader of the Senate.
    - m. One member of the public appointed by the General Assembly upon recommendation of the Minority Leader of the House of Representatives.
    - n. The Director of the NC Pre-K Program, or the Director's designee.
  - (2) The North Carolina Partnership and the local partnerships shall agree to adopt procedures for its operations that are comparable to those of Article 33C of Chapter 143 of the General Statutes, the Open Meetings Law, and Chapter 132

of the General Statutes, the Public Records Law, and provide for enforcement by the Department. The procedures may provide for the confidentiality of personnel files comparable to Article 7 of Chapter 126 of the General Statutes.

- (3) The North Carolina Partnership shall oversee the development and implementation of the local demonstration projects as they are selected and shall approve the ongoing plans, programs, and services developed and implemented by the local partnerships and hold the local partnerships accountable for the financial and programmatic integrity of the programs and services. The North Carolina Partnership may contract at the State level to obtain services or resources when the North Carolina Partnership determines it would be more efficient to do so.
- (4) The North Carolina Partnership shall develop and implement a comprehensive standard fiscal accountability plan to ensure the fiscal integrity and accountability of State funds appropriated to it and to the local partnerships. The standard fiscal accountability plan shall, at a minimum, include a uniform, standardized system of accounting, internal controls, payroll, fidelity bonding, chart of accounts, and contract management and monitoring. The North Carolina Partnership may contract with outside firms to develop and implement the standard fiscal accountability plan. All local partnerships shall be required to participate in the standard fiscal accountability plan developed and adopted by the North Carolina Partnership pursuant to this subdivision.
- (5) Repealed by Session Laws 2011-145, s. 10.5(b), effective July 1, 2011.
- (6) The North Carolina Partnership shall develop a formula for allocating direct services funds appropriated for this purpose to local partnerships.
- (7) The North Carolina Partnership may adjust its allocations by up to ten percent (10%) on the basis of local partnerships' performance assessments. In determining whether to adjust its allocations to local partnerships, the North Carolina Partnership shall consider whether the local partnerships are meeting the outcome goals and objectives of the North Carolina Partnership and the goals and objectives set forth by the local partnerships in their approved annual program plans.
- (8) The North Carolina Partnership shall establish a local partnership advisory committee comprised of 15 members. Eight of the members shall be chosen from past board chairs or duly elected officers currently serving on local partnerships' board of directors at the time of appointment and shall serve three-year terms. Seven of the members shall be staff of local partnerships. Members shall be chosen by the Chair of the North Carolina Partnership from a pool of candidates nominated by their respective boards of directors. The local partnership advisory committee shall serve in an advisory capacity to the North Carolina Partnership and shall establish a schedule of regular meetings. Members shall be chosen from local partnerships on a rotating basis. The advisory committee shall annually elect a chair from among its members.
- (9) Repealed by Session Laws 2001-424, s. 21.75(h), effective July 1, 2001.
  - (b) Repealed by Session Laws 2025-83, s. 7, effective July 29, 2025.
  - (c) The North Carolina Partnership shall require each local partnership to place in each of its contracts a statement that the contract is subject to monitoring by the local partnership and North Carolina Partnership, that contractors and subcontractors shall be fidelity bonded, unless the contractors or subcontractors receive less than one hundred thousand dollars (\$100,000) or unless the contract is for child care subsidy services, that contractors and subcontractors are subject to audit oversight by the State Auditor, and that contractors and subcontractors shall be

subject to the requirements of G.S. 143C-6-22. Organizations subject to G.S. 159-34 shall be exempt from this requirement.

(d) The North Carolina Partnership for Children, Inc., shall make a report no later than December 1 of each year to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division of the General Assembly that shall include the following:

- (1) A description of the program and significant services and initiatives.
- (2) A history of Smart Start funding and the previous fiscal year's expenditures.
- (3) The number of children served by type of service.
- (4) The type and quantity of services provided.
- (5) The results of the previous year's evaluations of the Initiatives or related programs and services.
- (6) A description of significant policy and program changes.
- (7) Any recommendations for legislative action.

(e) The North Carolina Partnership shall develop guidelines for local partnerships to follow in selecting capital projects to fund. The guidelines shall include assessing the community needs in relation to the quantity of child care centers, assessing the cost of purchasing or constructing new facilities as opposed to renovating existing facilities, and prioritizing capital needs such as construction, renovations, and playground equipment and other amenities.

(f) The North Carolina Partnership for Children, Inc., shall establish uniform guidelines and a reporting format for local partnerships to document the qualifying expenses occurring at the contractor level. Local partnerships shall monitor qualifying expenses to ensure they have occurred and meet the requirements prescribed in this subsection. (1993, c. 321, s. 254(a); 1993 (Reg. Sess., 1994), c. 766, s. 1; 1995, c. 324, s. 27A.1; 1996, 2nd Ex. Sess., c. 18, s. 24.29(b); 1997-443, ss. 11.55(l), 11A.105; 1998-212, s. 12.37B(a), (b); 1999-84, s. 24; 1999-237, s. 11.48(a); 2000-67, s. 11.28(a); 2001-424, ss. 21.75(h), 21.75(i); 2002-126, s. 10.55(d); 2003-284, ss. 10.38(l), 10.38(m), 10.38(n); 2004-124, s. 10.37; 2006-203, s. 104; 2006-264, s. 1(b); 2007-323, s. 10.19B(a); 2009-451, s. 20C.1(a); 2011-145, s. 10.5(b); 2015-264, s. 78; 2016-30, s. 2; 2020-78, s. 4C.1; 2025-83, s. 7.)