

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH50251-LH-121B (03/09)

Short Title: Est. Private, Nonprofit Corps. (Public)

Sponsors: Representative Michaux.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT THE UNIVERSITY OF NORTH CAROLINA MAY ESTABLISH PRIVATE, NONPROFIT CORPORATIONS TO SUPPORT THE CONSTITUENT INSTITUTIONS AND THE UNIVERSITY SYSTEM.

The General Assembly of North Carolina enacts:

SECTION 1. Article 1 of Chapter 116 is amended by adding a new Part to read:

"Part 2B. Private, Nonprofit Corporations.

"§ 116-30.20. Establishment of private, nonprofit corporations.

The Board of Governors of The University of North Carolina shall encourage the establishment of private, nonprofit corporations to support the constituent institutions of The University of North Carolina and the university system. The President of The University of North Carolina and the chancellors of the constituent institutions may assign employees to assist with the establishment and operation of a nonprofit corporation and may make available to the corporation office space, equipment, supplies, and other related resources; provided, the sole purpose of the corporation is to support The University of North Carolina or one or more of its constituent institutions.

The board of directors of each private, nonprofit corporation shall secure and pay for the services of the university system's internal auditors or employ a certified public accountant to conduct an audit of the financial accounts of the corporation. The board of directors shall transmit to the Board of Governors a copy of the annual financial audit report of the private nonprofit corporation."

SECTION 2. This act is effective when it becomes law.