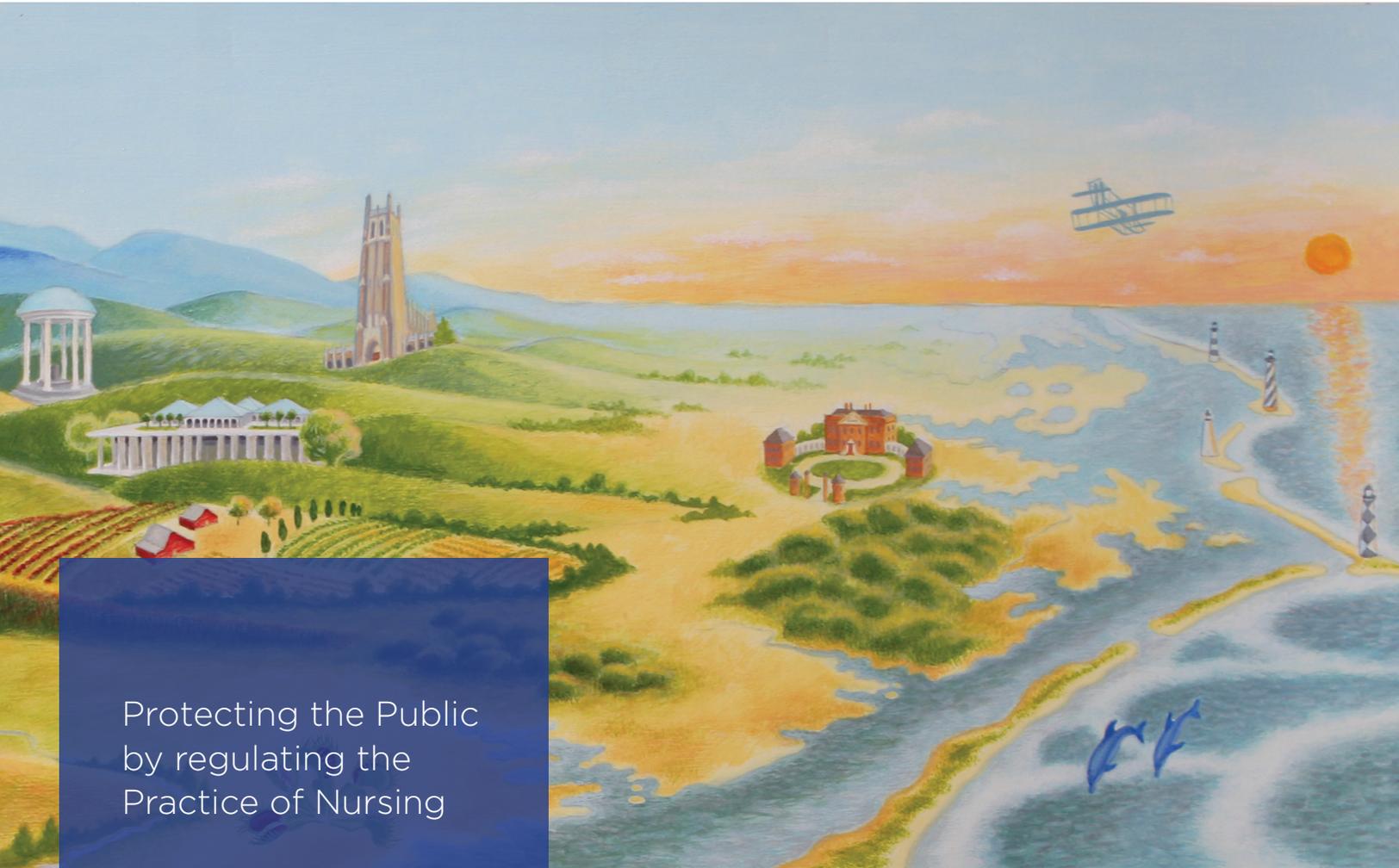


North Carolina
Board of Nursing
Annual Report

Fiscal Year
2014-2015



Protecting the Public
by regulating the
Practice of Nursing





Mission: The Mission of the North Carolina Board of Nursing is to protect the public by regulating the practice of nursing.

Vision: The North Carolina Board of Nursing excels in advancing public protection in a dynamic healthcare environment.

Values: Setting the PACE for Public Protection and Regulatory Excellence.

- Professionalism
- Accountability
- Commitment
- Equity/Fairness

Table of Contents

| | |
|--|---|
| Letter from the Executive Director | 2 |
| North Carolina Nursing Population | 2 |
| Board Members & Officers | 3 |
| Licensure and Listing | 4 |
| Public Protection | 5 |
| Complaints/Disciplinary Actions | 5 |
| Administrative Rule Actions..... | 6 |
| Practice Act Amendments | 6 |
| Financial Statements..... | 7 |



Letter from the Executive Director

Growing with the State...

North Carolina's population is steadily growing --- now just shy of 10 million citizens --- so I am happy to report that the number of licensed nurses, RNs and LPNs, has also continued to grow. During the past year the North Carolina Board of Nursing has licensed an additional 10,000 plus nurses in the state.

We also recognize that with a growing number of licensees comes additional complaints. As a result, we continuously evaluate the personnel and resources needed to meet this most important mandate of our board, namely protecting the citizens of North Carolina.

During this past year's session of the General Assembly, two identical bills were introduced in the House and Senate to modernize the Nursing Practice Act. The current Act has not had a substantive update since it was last rewritten in the 1980s. The bills that were submitted (SB 695 and HB 807): update language to align with electronic submission of applications and complaints; standardizes the education, licensure and certification requirements for Advanced Practice Registered Nurses (APRNs) and adds language to better protect the public throughout disciplinary proceedings. It is our understanding that these bills remain viable for the upcoming short session of the General Assembly in 2016.

In conclusion, I am proud to report that our audited financial statements reflect sound fiscal management.

Respectfully Submitted,

Julia L. George, RN, MSN, FRE
Executive Director
North Carolina Board of Nursing

North Carolina Nursing Population

Registered Nurse: 128,075
Licensed Practical Nurse: 22,150
Nurse Aide II: 16,802
Nurse Practitioner: 5,702
Certified Nurse Midwife: 268

Board Members & Officers



Martha Ann Harrell – Chair



Jacqueline Ring – Vice Chair



Cheryl Duke



Peggy C. Walters



Bob Newsom



Deborah B. Herring



Margaret Conklin



Christina Weaver



Bobby Lowery



Sharon Moore



Carol Wilson



Jennifer Kaylor



Pat Campbell

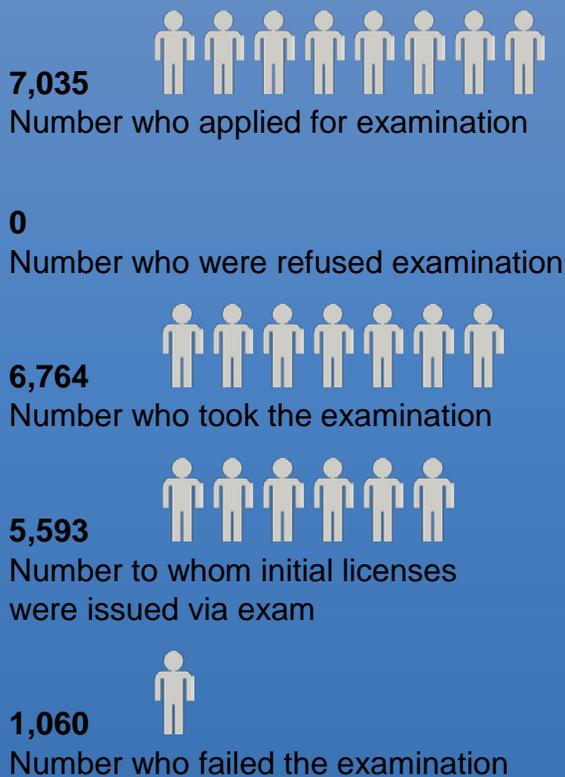


Mary Jones

Licensure and Listing

The North Carolina Board of Nursing (NCBON) uses the National Council Licensure Examination (NCLEX) prepared by the National Council of State Boards of Nursing (NCSBN) to measure competence for entry-level practice for graduates of Board-approved nursing education programs. Students who have successfully completed the requirements for graduation from a Board approved practical nurse or registered nurse education program are eligible to sit for NCLEX. The Board has never refused examination to a qualified NCLEX candidate. The Board licenses more than 150,000 nurses, making the NCBON the largest occupational licensing board in the state.

Exam



Endorsement



Nurse Aide II



Public Protection

1,466 
Number of complaints received involving licensed and unlicensed activities

262 
Disciplinary actions taken against licensees or other actions taken including injunctive relief

88 
Number of Licenses suspended, surrendered or revoked

0
Licenses terminated for any reason other than failure to pay the required renewal fee

Complaints/Disciplinary Actions

When a problem is experienced with a nurse, a complaint may be submitted to the Board of Nursing. Board staff process the complaint in accordance with the Nursing Practice Act to determine if an actual violation has occurred. The final decision that is reached is based on the findings of an inquiry or investigation. Currently, the board has 3 investigators, a staff attorney, a complaint coordinator, a manager of legal proceedings, a manager of investigations and 3 regulation consultants – who also conduct investigations and 2 legal coordinators, all dedicated to working on cases of licensed nurses in North Carolina.

According to the most recent data from the National Council of State Boards of Nursing – 72% of cases brought to the North Carolina Board of Nursing are resolved in 4 months or less.

Throughout the complaint process, the nurses' due process rights are respected. This means that the nurse has the opportunity to respond and defend against the allegations and that the matter is heard by a fair and impartial body.

Administrative Rule Actions

The Board of Nursing operates under the NC Administrative Code Title 21 Occupational Licensure Boards Chapter 36 – Board of Nursing. In 2014, the Board amended four (4) rules. No rules were developed or repealed.

Revisions:

Section .0200 – Licensure

- 21 NCAC 36 .0228 – Clinical Nurse Specialist Practice (Eff. 1/1/2015)

Section .0300 – Approval of Nursing Programs

- 21 NCAC 36 .0317 – Administration (Eff. 1/1/2015)
- 21 NCAC 36 .0318 – Faculty (Eff. 1/1/2015)
- 21 NCAC 36 .0323 – Records and Reports (Eff. 1/1/2015)

Practice Act Amendments

In 2014, the Board did propose to modernize the Nursing Practice Act. Two bills were simultaneously submitted to the NC House and NC Senate.

House Bill 807: Modernize Nursing Practice Act

Senate Bill 695: Modernize Nursing Practice Act

Financial Statements

The financial statements represent our continuing commitment to providing the highest standards of financial management and reporting, as well as responsibility and accountability of the resources of the North Carolina Board of Nursing.

The financial statements are prepared in accordance with general accepted accounting principles in the United States as prescribed by Governmental Accounting Standards Board (GASB).

The financial statements report all activities of the North Carolina Board of Nursing using the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recognized when incurred, if measurable.

Licenses are renewed for a period of two years. License renewal fees are deferred and recognized as revenue over the two-year period to which they relate.

| NORTH CAROLINA BOARD OF NURSING | | |
|--|-----------------------------|-----------------------------|
| STATEMENT OF NET POSITION | | |
| | June 30 | |
| | 2015 | 2014 |
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 881,007 | \$ 1,161,582 |
| Accrued interest receivable | 43,401 | 42,637 |
| Accounts receivable | 10,253 | 11,379 |
| Prepaid expenses and other assets | 73,243 | 73,109 |
| Investments - current portion | 299,851 | 179,997 |
| Total current assets | <u>1,307,755</u> | <u>1,468,704</u> |
| Noncurrent assets | | |
| Investments | <u>9,579,400</u> | <u>9,075,838</u> |
| Total noncurrent assets | <u>9,579,400</u> | <u>9,075,838</u> |
| Capital assets - net of depreciation | <u>7,040,411</u> | <u>7,256,847</u> |
| TOTAL ASSETS | <u>\$ 17,927,566</u> | <u>\$ 17,801,389</u> |
| LIABILITIES | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 236,076 | 228,171 |
| Current portion of accrued vacation | - | 24,869 |
| Deferred compensation liabilities | 76,543 | |
| Current portion of deferred revenues | 3,414,780 | 3,370,697 |
| Current portion of note payable | <u>211,336</u> | <u>187,587</u> |
| Total current liabilities | <u>3,938,735</u> | <u>3,811,324</u> |
| Noncurrent liabilities | | |
| Accrued vacation | 426,568 | 404,563 |
| Other accrued liabilities | - | 58,129 |
| Deferred revenue | 3,414,781 | 3,370,697 |
| Note payable | <u>666,986</u> | <u>1,382,395</u> |
| Total long term liabilities | <u>4,508,335</u> | <u>5,215,784</u> |
| TOTAL LIABILITIES | <u>\$ 8,447,070</u> | <u>\$ 9,027,108</u> |
| NET POSITION | | |
| Investment in fixed assets | 6,162,089 | 5,686,865 |
| Unrestricted net assets | <u>3,318,407</u> | <u>3,087,416</u> |
| TOTAL NET POSITION | <u>\$ 9,480,496</u> | <u>\$ 8,774,281</u> |

NORTH CAROLINA BOARD OF NURSING

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

| | <u>For Years Ended June 30</u> | |
|---|--------------------------------|---------------------|
| | <u>2015</u> | <u>2014</u> |
| OPERATING REVENUE | | |
| License renewals | \$ 6,214,943 | \$ 6,032,868 |
| Examination fees | 524,846 | 528,444 |
| Reinstatements | 167,728 | 198,944 |
| Endorsements into state | 738,611 | 795,609 |
| Labels | 81,949 | 59,470 |
| Hearing and settlement | 6,900 | 4,800 |
| Advanced Practice-RN | 347,170 | 346,819 |
| Nurse aide registry | 215,263 | 229,199 |
| Other | <u>92,054</u> | <u>85,955</u> |
| TOTAL OPERATING REVENUE | <u>8,389,464</u> | <u>8,282,108</u> |
| OPERATING EXPENSES | | |
| Salaries and related benefits | 6,045,188 | 5,597,882 |
| Operations | 1,683,015 | 1,697,865 |
| Election | 5,350 | 4,700 |
| Conventions & conferences | 90,587 | 86,820 |
| Board meetings | 35,702 | 39,555 |
| Hearings | 28,329 | 21,201 |
| Committee meetings | 35,210 | 47,910 |
| Contribution to FNE | - | 10,000 |
| Other regulatory services | <u>20,076</u> | <u>17,434</u> |
| TOTAL OPERATING EXPENSES | <u>7,943,457</u> | <u>7,523,367</u> |
| OPERATING INCOME | 446,007 | 758,741 |
| NON-OPERATING REVENUE (EXPENSES) | | |
| Net investment income | 306,148 | 342,412 |
| Interest paid | <u>(45,940)</u> | <u>(68,889)</u> |
| TOTAL NON-OPERATING REVENUE (EXPENSES) | <u>260,208</u> | <u>273,523</u> |
| CHANGE IN NET ASSETS | 706,215 | 1,032,264 |
| NET POSITION, BEGINNING OF YEAR | 8,774,281 | 7,742,017 |
| NET POSITION, END OF YEAR | <u>\$ 9,480,496</u> | <u>\$ 8,774,281</u> |

North Carolina Board of Nursing
P.O. Box 2129
Raleigh, NC 27602
919.782.3211
Fax: 919.781.9461
www.ncbon.com

