

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**

**Financial Statements and  
Supplemental Schedules for the  
Years Ended September 30, 2020 and 2019 and  
Independent Auditor's Report**

# **NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**

## **Financial Statements and Supplemental Schedules for the Years Ended September 30, 2020 and 2019 and Independent Auditor's Report**

### **BOARD MEMBERS (2019-2020)**

Jim Sewell, Chairperson

Donnie Dove, Jr., Vice-Chairperson

Lauren Pruett, Secretary

David Litman, Treasurer

Kevin Earp

Cheryl White-Smith

Jeff Trader

Pamela White

Beverly Woodel

### **EXECUTIVE OFFICER (2019-2020)**

Caitlin Schwab-Falzone, Board Administrator

### **LEGAL COUNSEL (2019-2020)**

North Carolina Department of Justice

# **NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**

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# **NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **Introduction**

This section of the Board's financial report represents Management's analysis of the Board's financial performance during the years ended September 30, 2020 and 2019. Please read it in conjunction with the financial statements which follow this section.

### **Financial Highlights**

During 2020, the Board's net position increased by \$14,086, or 9.94%, due primarily to an annual recurrence of revenues in excess of expenses. During 2019, the Board's net position increased by \$14,116 or 11.07%, due primarily to a decrease in expenses.

During 2020 the operating revenues of the Board increased by \$148, or .16%, due primarily to an increase in renewal fees. During 2019 the operating revenues of the Board decreased by \$1,946, or 2.09%, due primarily to a decrease in renewal fees.

During 2020, the non-operating revenues of the Board decreased by \$309, or 34.99%, due to a decrease in interest earning rates. During 2019, the non-operating revenues of the Board increased by \$58, or 7.03%, due to an increased amount of cash on hand.

During 2020, the operating expenses of the Board decreased by \$131, or .17%, due primarily to a decrease in board members expenses. During 2019, the operating expenses of the Board decreased by \$36,490, or 31.84%, due primarily to a decrease in contractual management service fees (which resulted from the transition of the method of calculating the management agency fees).

### **Overview of the Financial Statements**

This financial report consists of two sections: Management's Discussion and Analysis and the Financial Statements. The Board has no other supplementary information required by the Governmental Accounting Standards Board (GASB). The Financial Statements also include notes to the financial statements that provide detail of the information included in the financial statements.

The financial statements of the Board report information about the Board using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about the activities of the Board.

The Statements of Net Position present the current and long-term portions of assets and liabilities separately. The Statements of Revenues, Expenses, and Changes in Net Position present information on how the Board's assets changed as a result of its operations. The Statements of Cash Flows present information on how the Board's cash changed as a result of its financial activities.

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Condensed Financial Information**

The following presents condensed financial information on the operations of the Board:

	Current Year as of and for the year ended September 30, 2020	Current Year as of and for the year ended September 30, 2019
Current assets	\$ 239,871	\$ 221,074
Capital assets	100	100
Total assets	<u>\$ 239,971</u>	<u>\$ 221,174</u>
Current liabilities	\$ 84,196	\$ 79,485
Total liabilities	<u>\$ 84,196</u>	<u>\$ 79,485</u>
Investment in capital assets	\$ 100	\$ 100
Unrestricted	155,675	141,589
Total net position	<u>\$ 155,775</u>	<u>\$ 141,689</u>
Operating revenues	\$ 91,503	\$ 91,355
Operating expenses	<u>(77,991)</u>	<u>(78,122)</u>
Operating income	13,512	13,233
Non-operating revenues	574	883
Change in net position	<u>\$ 14,086</u>	<u>\$ 14,116</u>

# NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Financial Analysis

Net position is an indicator of the fiscal health of the Board. Assets exceeded liabilities by \$155,775 for the year ended September 30, 2020. The largest component of net position was cash and cash equivalents. Cash and cash equivalents represented 151.47% of total net position. Current assets consist of cash and prepaid expenses. Noncurrent assets consist only of capital assets (net of accumulated depreciation). Capital assets are not a significant component of assets and are denoted below in the comparative summary of the Statements of Net Position. Current liabilities consist of accounts payable and unearned revenue. The Board has no long term liabilities. Net position consists of net assets invested in capital assets and unrestricted net assets. Net investment in capital assets is a component of net position and consists of capital assets net of depreciation. The following is a summary of the Statements of Net Position.

	Current Year as of September 30, 2020	Prior Year as of September 30, 2019	Amount of Change	Percentage Change
Current assets	\$ 239,871	\$ 221,074	\$ 18,797	8.50%
Capital assets	100	100	0	0.00%
Total assets	<u>\$ 239,971</u>	<u>\$ 221,174</u>	<u>\$ 18,797</u>	<u>8.50%</u>
Current liabilities	\$ 84,196	\$ 79,485	\$ 4,711	5.93%
Total liabilities	<u>\$ 84,196</u>	<u>\$ 79,485</u>	<u>\$ 4,711</u>	<u>5.93%</u>
Invested in capital assets	\$ 100	\$ 100	\$ 0	0.00%
Unrestricted	155,675	141,589	14,086	9.95%
Total net position	<u>\$ 155,775</u>	<u>\$ 141,689</u>	<u>\$ 14,086</u>	<u>9.94%</u>

The following is a summary of the Statements of Revenues, Expenses, and Changes in Net Position. Further discussion of this is included in the preceding section entitled "Financial Highlights."

	The year ended September 30, 2020	The year ended September 30, 2019	Amount of Change	Percentage Change
Operating revenues	\$ 91,503	\$ 91,355	\$ 148	0.16%
Operating expenses	(77,991)	(78,122)	131	-0.17%
Non-operating revenues	574	883	(309)	-34.99%
Change in net position	<u>\$ 14,086</u>	<u>\$ 14,116</u>	<u>\$ 30</u>	<u>-0.21%</u>
Ending net position	<u>\$ 155,775</u>	<u>\$ 141,689</u>	<u>\$ 14,086</u>	<u>9.94%</u>

## **NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following is a breakdown of operating revenues by source. Further discussion of this is included in the preceding section entitled "Financial Highlights."

	The year ended September 30, 2020	The year ended September 30, 2019	Amount of Change	Percentage Change
Initial license fees	\$ 13,275	\$ 14,850	\$ (1,575)	-10.61%
Renewal fees	75,300	73,650	1,650	2.24%
SBI fingerprinting fees	2,318	2,508	(190)	-7.58%
Other income	610	347	263	75.79%
Total	<u>\$ 91,503</u>	<u>\$ 91,355</u>	<u>\$ 148</u>	<u>0.16%</u>

The following is a breakdown of non-operating revenues by source. Further discussion of this is included in the preceding section entitled "Financial Highlights."

	The year ended September 30, 2020	The year ended September 30, 2019	Amount of Change	Percentage Change
Interest income	\$ 574	\$ 883	\$ (309)	-34.99%
Total	<u>\$ 574</u>	<u>\$ 883</u>	<u>\$ (309)</u>	<u>-34.99%</u>

### **Events Affecting Future Operations**

The Board is not aware of any significant events that may affect future operations of the Board which are reportable pursuant to GASB reporting requirements. The Board anticipates that revenues and expenses of the Board in the upcoming year will be comparable to preceding years.

### **Contacting the Board's Management**

This financial report is designed to provide a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. If you have any questions about this report or need additional information, contact: The North Carolina Interpreter and Transliterators Licensing Board, 701 Exposition Place, Suite 206, Raleigh, NC 27615.

***Shelton L. Hawley, CPA, PA***  
**Certified Public Accountants**

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P.O. Box 1545  
Angier, North Carolina 27501-1545

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**INDEPENDENT AUDITOR'S REPORT**

Members of the Board  
North Carolina Interpreter and Transliterator Licensing Board  
Raleigh, North Carolina

***Report on the Financial Statements***

We have audited the accompanying financial statements of the North Carolina Interpreter and Transliterator Licensing Board (the "Board"), an independent state board which is a nonmajor enterprise fund of the primary government of the State of North Carolina, as of and for the years ended September 30, 2020 and 2019, and the related notes to the financial statements, which comprise the Board's financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on the audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the North Carolina Interpreter and Transliterator Licensing Board as of September 30, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



## INDEPENDENT AUDITOR'S REPORT (CONCLUDED)

### *Management's Discussion and Analysis - Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on this supplementary information because the limited procedures do not provide sufficient evidence to express an opinion or provide any assurance thereon.

### *Other Supplementary Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Receipts and Disbursements - Modified Cash Basis are presented for purposes of additional analysis and are not a required part of the financial statements. We have applied certain limited procedures to the supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on this supplementary information because the limited procedures do not provide sufficient evidence to express an opinion or provide any assurance thereon.



Shelton L. Hawley, C.P.A., P.A.

Angier NC

December 16, 2020

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**STATEMENTS OF NET POSITION**  
**SEPTEMBER 30, 2020 AND 2019**

	September 30, 2020	September 30, 2019
	Proprietary- Enterprise Fund	Proprietary- Enterprise Fund
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 235,946	\$ 217,149
Prepaid expense - management fees (Notes 1 and 5)	3,925	3,925
Total current assets	239,871	221,074
Capital assets (Notes 1 and 3):		
Furniture and office equipment	100	100
Total capital assets - net of depreciation	100	100
<b>TOTAL ASSETS</b>	<b>\$ 239,971</b>	<b>\$ 221,174</b>
<b>LIABILITIES AND NET POSITION</b>		
Current liabilities:		
Accounts payable (Note 4)	\$	\$ 656
Due to other state agencies (Note 4)	6,346	2,179
Unearned revenue (Note 1)	77,850	76,650
Total current liabilities	84,196	79,485
<b>TOTAL LIABILITIES</b>	<b>84,196</b>	<b>79,485</b>
<b>NET POSITION (NOTE 1)</b>		
Investment in capital assets	100	100
Unrestricted net position	155,675	141,589
<b>TOTAL NET POSITION</b>	<b>155,775</b>	<b>141,689</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 239,971</b>	<b>\$ 221,174</b>

See notes to financial statements.

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
	<u>Proprietary- Enterprise Fund</u>	<u>Proprietary- Enterprise Fund</u>
OPERATING REVENUES:		
Licenses, fees and fines:		
Initial license fees	\$ 13,275	\$ 14,850
Renewal fees	75,300	73,650
SBI fingerprinting fees	2,318	2,508
Other income	610	347
Total operating revenues	<u>\$ 91,503</u>	<u>\$ 91,355</u>
OPERATING EXPENSES:		
Personal services (and board members expenses):		
Board members expenses (including hearing expenses)	\$ 3,442	\$ 5,999
Supplies and materials:		
Office expenses	360	1,219
Services:		
Contractual management services (including travel) (Note 5)	47,422	47,213
Legal, audit and accounting fees	14,525	10,449
Website expenses	520	340
Printing and copying	672	651
Postage	1,111	1,145
Telephone	360	360
SBI fingerprinting costs	2,318	2,508
Other contracted services - interpreters	7,016	8,102
Miscellaneous expenses	245	136
Total operating expenses	<u>\$ 77,991</u>	<u>\$ 78,122</u>
Operating income	\$ 13,512	\$ 13,233

See notes to financial statements

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
	<b>Proprietary- Enterprise Fund</b>	<b>Proprietary- Enterprise Fund</b>
NON- OPERATING REVENUES (EXPENSES):		
Interest income	\$ 574	\$ 883
Total non-operating revenues	\$ 574	\$ 883
 Change in net position	 \$ 14,086	 \$ 14,116
 Net position - beginning of year	 \$ 141,689	 \$ 127,573
Net position - end of year	<u>\$ 155,775</u>	<u>\$ 141,689</u>

See notes to financial statements.

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	<b>2020</b>	<b>2019</b>
	<b>Proprietary- Enterprise Fund</b>	<b>Proprietary- Enterprise Fund</b>
Cash flows from operating activities:		
Cash received from fees and other income	\$ 92,703	\$ 93,880
Cash payments for operating expenses	(74,480)	(79,207)
Net cash provided by operating activities	\$ 18,223	\$ 14,673
Cash flows from investing activities:		
Interest earned	\$ 574	\$ 883
Net cash provided by investing activities	\$ 574	\$ 883
Net increase in cash	\$ 18,797	\$ 15,556
Cash - beginning of year	\$ 217,149	\$ 201,593
Cash - end of year	\$ 235,946	\$ 217,149
Reconciliation of operating income		
to net cash provided by operating activities:		
Operating income	\$ 13,512	\$ 13,233
Adjustments to reconcile operating income		
to net cash provided by operating activities:		
Changes in assets and liabilities:		
Accounts payable	\$ 3,511	\$ (1,085)
Unearned revenue	1,200	2,525
Total adjustments	\$ 4,711	\$ 1,440
Net cash provided by operating activities	\$ 18,223	\$ 14,673

See notes to financial statements.

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

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Note 1 - Nature of Activities and Significant Accounting Policies

**Description of Organization and Purpose**

The North Carolina Interpreter and Transliterators Licensing Board (the "Board") is an independent State board. It is an occupational licensing board and is authorized by Chapter 90D of the North Carolina General Statutes. The Board is composed of nine members who are appointed by the Governor and the General Assembly of the State of North Carolina. It is a nonmajor enterprise fund of the primary government of the State of North Carolina and is reported as such in the State's Comprehensive Annual Financial Report (CAFR).

The Board is established to maintain minimum standards for services provided by interpreters and transliterators.

The Board's operations are financed with self-generated revenues from fees charged to licensees.

**Financial Reporting Entity**

The concept underlying the definition of the financial reporting entity is that elected officials are accountable to their constituents for their actions. As required by accounting principles generally accepted in the United States of America (GAAP), the financial reporting entity includes both the primary government and all of its component units. An organization other than a primary government serves as a nucleus for a reporting entity when it issues separate financial statements. The accompanying financial statements present all funds and activities for which the Board is responsible.

For financial reporting purposes, the Board is a nonmajor enterprise fund of the primary government of the State of North Carolina and is reported as such in the State's Comprehensive Annual Financial Report (CAFR). These financial statements for the Board are separate and apart from those of the State of North Carolina and do not present the financial position of the State nor changes in the State's financial position and cash flows.

**Basis of Presentation**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards.

All activities of the Board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

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Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

**Basis of Accounting**

The basic financial statements of the Board are prepared using the economic resource measurement focus and the accrual basis of accounting. The economic resource measurement focus measures all assets that are available to the entity, not only cash or soon to be assets. Both long-term assets and long-term liabilities are measured and depreciation is recorded as a cost of operations. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when a liability has been incurred, regardless of the timing of cash flows. Fees received for the various licenses are deemed earned when the license period begins.

The Statement of Revenues, Expenses, and Changes in Net Position classifies the Board's revenues as operating or non-operating revenues. Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Board. Operating revenues consist primarily of license fees and includes activities that have characteristics of exchange transactions. Operating expenses are all expense transactions incurred other than those related to capital and noncapital financing or investing activities as defined by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*. Non-operating revenues and expenses consist of those revenues and expenses that are related to investing, capital, and non-capital financing activities; and are classified as non-operating in the financial statements.

**Cash and Cash Equivalents**

This classification includes undeposited receipts, petty cash, checking accounts and time deposits held by the Board (if any).

**Prepaid Expense**

This classification includes management agency fees which were prepaid at year end.

**Capital Assets**

Capital assets are stated at cost and are being depreciated over their useful lives on a straight-line basis. The Board capitalizes assets that have a value or cost of \$500 or greater at the date of acquisition and an estimated useful life of more than one year. Depreciation is computed using the straight-line method of depreciation over the estimated useful lives of the assets, generally estimated as follows: office furniture and equipment, 5 to 7 years.

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

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Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

**Unearned Revenue**

The Board's fees are assessed and collected on an annual basis for the period October 1 through September 30, which corresponds with the Board's accounting period. License renewal fees received in the latter part of the fiscal year are deferred and recognized as revenue over the one year period to which they relate.

**Net Position**

Investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation.

Restricted net position - This component of net position consists of net position which the Board is legally or contractually obligated to spend in accordance with restrictions imposed by external parties. The Board had no restricted net position at year end.

Unrestricted net position - This component of net position consists of net position that does not meet the definition of *restricted or investment in capital assets*.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Deposits

All of the Board's deposits which are uninsured are uncollateralized [unless collateralized pursuant to NC Administrative Code (20 NCAC 7)] by the financial institution holding said deposits. For deposits, custodial credit risk is the risk that in the event of the failure of the depository (or counterparty), the Board will not be able to recover the value of its deposits that are in the possession of the outside party. The Board does not have formal written policies regarding custodial credit risk for deposits.

At September 30, 2020, the Board's deposits (including undeposited receipts on hand) had a carrying amount of \$235,946 and a bank balance of \$236,157, which was covered by federal depository insurance. At September 30, 2019, the Board's deposits (including undeposited receipts on hand) had a carrying amount of \$217,149 and a bank balance of \$216,933, which was covered by federal depository insurance.



**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

Note 3 - Capital Assets

Changes in capital assets as of and for the years ended September 30, 2020 and 2019 are as follows:

	Cost 09-30-19	Acquisitions	Disposals	Cost 09-30-20	Accumulated Depreciation	Net Amount
Furniture/Equipment	\$ 934	\$ 0	\$ 0	\$ 934	\$ 834	\$ 100
	\$ 934	\$ 0	\$ 0	\$ 934	\$ 834	\$ 100

	Cost 09-30-18	Acquisitions	Disposals	Cost 09-30-19	Accumulated Depreciation	Net Amount
Furniture/Equipment	\$ 934	\$ 0	\$ 0	\$ 934	\$ 834	\$ 100
	\$ 934	\$ 0	\$ 0	\$ 934	\$ 834	\$ 100

When an asset is disposed of, the cost of the asset and the related accumulated depreciation are removed from the books. Any gain or loss on disposition is reflected in earnings for the period. There was no depreciation expense for the fiscal year ended September 30, 2020 and there was no depreciation expense for the fiscal year ended September 30, 2019.

Note 4 - Accounts Payable

Accounts payable consists of amounts due to vendors in the ordinary operations of the Board. Accounts payable due in the ordinary operations of the Board which are due to other state agencies (if any) are reported separately.

	September 30, 2020	September 30, 2019
Due to Vendors	\$	\$ 656
Due to Other State Agencies	6,346	2,179
Total Accounts Payable	\$ 6,346	\$ 2,835

Note 5 - Contractual Management Services and Related Prepaid Expense

The Board does not have any employees. The Board contracts with a management consultant service to provide services for the Board. The contract(s) included all services related to the process of licensure application and renewal and various other secretarial duties. The Board also occasionally reimbursed the management service for printing, copying, postage and miscellaneous office supplies and expenses. Payments to the management service totaled \$51,113 during the fiscal year ended September 30, 2020 and \$50,740 during the fiscal year ended September 30, 2019.

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

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Note 6 - Risk Management

The Board is exposed to various risks of loss related to torts; theft of, damage to, and the destruction of assets; errors and omissions; injuries to employees; and natural disasters. These exposures to loss are handled by participation in certain state-administered risk programs and self retention of certain risks. The Board has not purchased any commercial insurance coverage. There have been no significant reductions in insurance coverage from coverage in the prior year, and no insurance claims were filed during the last three fiscal years.

Note 7 - Contingencies

The Board is involved in occasional disciplinary hearings throughout the year which arise in the ordinary course of its operations. In the opinion of management of the Board, the results of such actions during the years under audit do not materially affect the Board's operations, changes in financial position, or cash flows for the years herein ended.

Note 8 - Subsequent Events

Subsequent events have been evaluated through December 16, 2020, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

This audit required approximately 48 audit hours at a cost of \$4,995.

**NORTH CAROLINA INTERPRETER AND TRANSLITERATOR LICENSING BOARD**  
**SCHEDULES OF RECEIPTS AND DISBURSEMENTS - MODIFIED CASH BASIS**  
**YEARS ENDED SEPTEMBER 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
	<u>Proprietary- Enterprise Fund</u>	<u>Proprietary- Enterprise Fund</u>
RECEIPTS:		
Initial license fees	\$ 13,725	\$ 15,300
Renewal fees	76,050	75,750
SBI fingerprinting fees	2,318	2,508
Other income	610	347
Interest income	574	883
Total receipts	<u>\$ 93,277</u>	<u>\$ 94,788</u>
DISBURSEMENTS:		
Contractual management services	\$ 47,422	\$ 47,213
Board members expenses (including hearing expenses)	3,771	5,341
SBI fingerprinting costs	2,166	2,394
Other contracted services - interpreters	6,985	8,213
Other contracted services - background checks	487	
Legal, audit and accounting fees	10,381	12,196
Telephone	360	360
Office supplies	360	1,219
Printing and copying	672	651
Postage	1,111	1,145
Website expenses	520	340
Miscellaneous expenses	245	160
Total disbursements	<u>\$ 74,480</u>	<u>\$ 79,232</u>
Receipts in excess of disbursements	\$ 18,797	\$ 15,556
Change in cash	<u>\$ 18,797</u>	<u>\$ 15,556</u>
Cash in bank - beginning of year	<u>217,149</u>	<u>201,593</u>
Cash in bank - end of year	<u><u>\$ 235,946</u></u>	<u><u>\$ 217,149</u></u>