#### Committed to a State of Excellence



PROFESSIONALISM

Nursing Practice Act

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



### Letter from the Executive Director

In this annual report from the North Carolina Board of Nursing, we have included information that may be helpful in understanding the scope of our mission of public protection, in addition to reporting on activities that are required by law.

In this report you will see that we have provided a statewide map showing all the counties and the population of licensed nurses per county. Nurses are in every county and provide care to a steadily growing population.

During the upcoming long session of the General Assembly – the Board of Nursing will be looking to adopt the new Nurse Licensure Compact (NLC). North Carolina was one of the early adopters of the original NLC, which was established in 1999. The NLC has worked well for nurses, employers and enhanced public protection. A new compact was approved in May 2015 and we will seek legislation that improves upon this successful model. The new compact has uniform license requirements, including authority to require federal criminal background checks.

As a Board that requires Federal Criminal Background Checks (CBC) we were audited in March, by the FBI, as part of an Information Technology (IT) Security Audit conducted by the FBI's non-criminal justice agency. This audit included a very careful examination of our policies, procedures and technology protecting criminal history record information. This audit verified that our security systems were considered exceptional by the audit's standards which should be the goal of all regulatory agencies having access to sensitive criminal history information.

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

Respectfully,

Julia L. George, RN, MSN, FRE EXECUTIVE DIRECTOR NORTH CAROLINA BOARD OF NURSING

Julia L. George

"At the forefront of any discussion about the North Carolina Board of Nursing is its mission to 'protect the public by regulating the practice of nursing.' Although the vast majority of licensed nurses practice with competence and integrity, there have always been instances where either accidentally or intentionally, nurses' actions endanger the public."

From "First in Nursing" by Shirley Toney, RN, Ph.D. 2013

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## **Board Members**



#### **Elected Board**

Front row (L to R) Peggy Walters, Jennifer Kaylor, Martha Ann Harrell, Mary Jones, Pat Campbell Back row (L to R) Margaret Conklin, Frank DeMarco, Yolanda Hyde, Christina Weaver, Deborah Herring, Carol Wilson, Cheryl Duke, Bob Newsom, Sharon Moore

Martha Ann Harrell - CHAIR

Pat Campbell – VICE-CHAIR

**Bob Newsom** 

Carol Wilson

Cheryl Duke

Christina Weaver

**Deborah Herring** 

Frank Demarco

Jennifer Kaylor

Mary Jones

Margaret Conklin

Peggy C. Walters

Sharon Moore

Yolanda Hyde

# Report Data

"...Each occupational licensing board shall file electronically with the Secretary of State, the Attorney General, and the Joint Legislative Administrative Procedure Oversight Committee an annual report containing all of the following information:" (G.S. 93B-2(a)

1a. The total number of licensees supervised by the Board:

182,616

- The number of persons who applied to the board for examination:
   6,437
- 3. The number who were refused examination: **50**
- 4. The number who took the examination: 6,173
- The number to whom initial licenses were issued:
   5,538
- 5a. The number who failed the examination: 1,064
- 6. The number who applied for license by reciprocity or comity: 5,796

7. The number who were granted licenses by reciprocity or comity:

5,240

- 7a. The number of official complaints received involving licensed and unlicensed activities: 1,402
- 7b. The number of disciplinary actions taken against licensees, or other actions taken against non-licensees including injunctive relief:

410

8. The number of licenses suspended or revoked:

173

9. The number of licenses terminated for any reason other than failure to pay the required renewal fee:

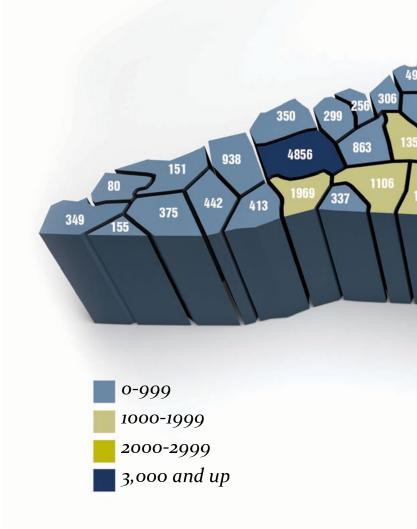
196

# 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 applicant. The Board licenses more than 161,000 nurses, making the North Carolina Board of Nursing the largest occupational licensing board in the state.

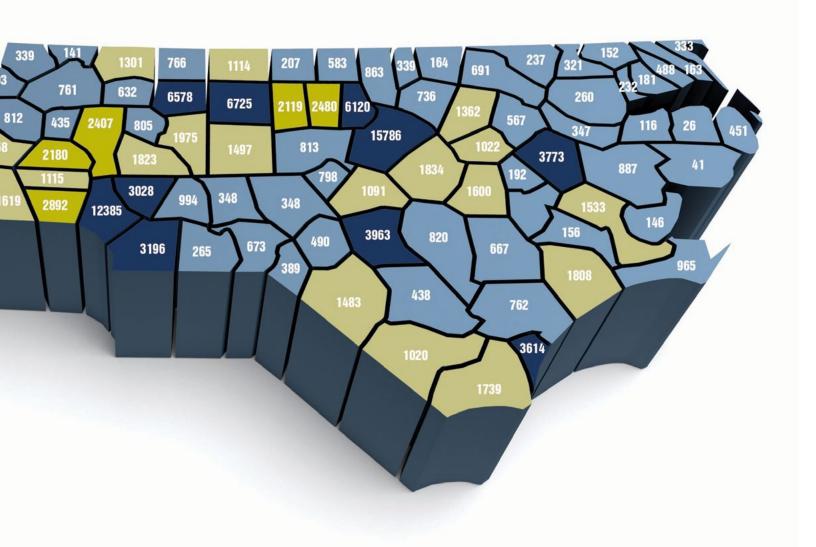
#### **Examination and Endorsement**

#### Exam Number who applied for examination 6437 Number who were refused examination 50 Number who took the examination 6173 Number to whom initial licenses were 5538 issued via exam **Endorsement** Number who applied for license by 5796 reciprocity or comity Number who were granted license by 5240 reciprocity or comity



# Number of Licensed Nurses by County

(RNs and LPNs combined)



## Administrative Rule Actions

The Board of Nursing operates under the NC Administrative Code Title 21 Occupational Licensure Boards Chapter 36 — Board of Nursing. In 2016, the Board adopted one (1) new rule. In 2017, the Board anticipates changes to ten (10) rules.



#### **Adopted New Rule:**

Section .0800 – Approval and Practice Parameters for Nurse Practitioners • 21 NCAC 36 .0815 – Reporting Criteria (Eff. 4/1/2016)

#### **Anticipated Revisions:**

Section .0100 – General Provision

• 21 NCAC 36 .0120 – Definitions

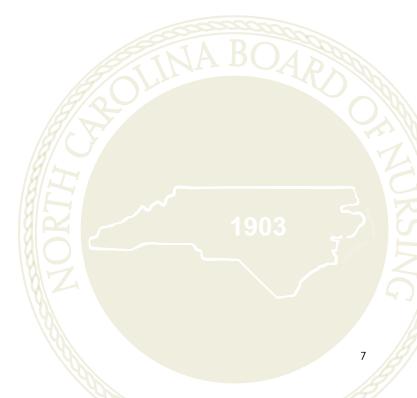
Section .0300 – Approval of Nursing Programs

- 21 NCAC 36 .0302 Establishment of Nursing Program – Initial Application
- 21 NCAC 36 .0303 Existing Nursing Program
- 21 NCAC 36 .0309 Process for Closure of a Program
- 21 NCAC 36 .0317 Administration
- 21 NCAC 36 .0318 Faculty
- 21 NCAC 36 .0320 Students
- 21 NCAC 36 .0321 Curriculum
- 21 NCAC 36 .0322 Facilities
- 21 NCAC 36 .0323 Records and Reports

# **Practice Act Amendments**



In 2017, the Board will propose changes to Article 9G, Nurse Licensure Compact, to add enhancements and technical changes.



### **Financial Statement**

#### **Fiscal**

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

The financial statements are prepared in accordance with generally 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.

#### **Statement of Net Position**

|  |                             | June 30   |
|--|-----------------------------|---|
|  | 2016                        | 2015  |
| ASSETS   | 2010                        |   |
| Current assets   |                             |   |
| Cash and cash equivalents  | \$937,621                   | \$881,007   |
| Accrued interest receivable  | 38,647                      | 43,401  |
| Accounts receivable  | 14,754                      | 10,253  |
| Deposit on assets  | 34,838                      | -   |
| Prepaid expenses and other assets  | 82,591                      | 73,243  |
| Investments – current portion  | <u>1,128,793</u>            | <u> 299,851                                    </u> |
| Total current assets   | 2,237,244                   | 1,307,755   |
| Noncurrent assets  |                             |   |
| Investments  | 9,827,352                   | 9,579,400   |
| Total noncurrent assets  | 9,827,352                   | 9,579,400   |
|  |                             |   |
| Capital assets – net of depreciation                                     | <u>6,781,468</u>            | 7,040,411   |
| TOTAL ASSETS   | \$18,846,064                | <u>\$17,927,566</u>                                 |
|  |                             |   |
| LIABILITIES  |                             |   |
| Current liabilities  |                             |   |
| Accounts payable and accrued liabilities                                 | 232,077                     | 312,619   |
| Current portion of accrued vacation Current portion of deferred revenues | 19,693                      | -   |
| Current portion of deferred revenues  Current portion of note payable    | 3,739,449                   | 3,414,780<br>211,33 <u>6</u>                        |
| Total current liabilities  | <u>161,676</u><br>4,152,895 | 3,938,735   |
| Total Correll Habilities   | 4,152,095                   | 3,930,/35   |
| Noncurrent liabilities   |                             |   |
| Accrued vacation   | 436,120                     | 426,568   |
| Deferred revenue   | 3,739,450                   | 3,414,781   |
| Note payable   | -                           | 666,986   |
| Total long term liabilities  | 4,175,570                   | 4,508,335   |
| TOTAL LIABILITIES  | <u>\$8,328,465</u>          | \$8,447,070   |
| NET POSITION   |                             |   |
| Investment in fixed assets   | 6,619,792                   | 6,162,089   |
| Unrestricted net assets  | <u>3,897,807</u>            | 3,318,407   |
|  | -J1J11-391                  | JIJ=-1 <del>4</del> -2/-                            |
| TOTAL NET POSITION   | \$10,517,599                | <u>\$9,480,496</u>                                  |
|  |                             |   |

### Statement of Revenue, Expenses and Changes in Net Position

|                                  |                    | June 30                    |
|----------------------------------|--------------------|----------------------------|
| ODED ATIMIC DEVICABLE            | <u> 2016</u>       | <u>2015</u>                |
| OPERATING REVENUE                |                    |                            |
| Current assets License renewals  | +C - 0C 0-C        | <b>+</b> C                 |
| Examination fees                 | \$6,286,836        | \$6,214,943                |
| Reinstatements                   | 512,527            | 524,846<br>167,728         |
| Endorsements into state          | 182,248<br>837,446 | 167,728<br>738,611         |
| Labels                           | 03/,440<br>82,408  | /30,611<br>81,940          |
| Hearing and settlement           | 9,600              | 6,900                      |
| Advanced Practice-RN             | 435,460            | 347,170                    |
| Nurse aide registry              | 435,400<br>212,716 | 34/,1/0<br>215,263         |
| Other                            | 89,387             | 92,054                     |
| TOTAL OPERATING REVENUE          | <u>8,648,628</u>   | <u>92,052</u><br>8,389,462 |
| TO THE OTERN WING REVENUE        | 0,040,020          | 9,303,402                  |
| OPERATING EXPENSES               |                    |                            |
| Salaries and related benefits    | 6,150,682          | 6,045,188                  |
| Operations                       | 1,735,493          | 1,683,01                   |
| Election                         | 6,390              | 5,359                      |
| Conventions & conferences        | 113,604            | 90,58                      |
| Board meetings                   | 39,161             | 35,702                     |
| Hearings                         | 42,722             | 28,329                     |
| Committee meetings               | 29,252             | 35,210                     |
| Other regulatory services        | <u> 24,198</u>     | 20,076                     |
| TOTAL OPERATING EXPENSES         | 8,141,502          | 7,943,457                  |
| OPERATING INCOME                 | 507,126            | 446,007                    |
| NON-OPERATING REVENUE/(EXPENSES) |                    |                            |
| Net investment income            | 550,931            | 306,148                    |
| Interest expense                 | (20,954)           | (45,940                    |
| TOTAL NON-OPERATING REVENUE      | 529,977            | <u> 260,208</u>            |
| CHANGE IN NET POSITION           | 1,037,103          | 706,21                     |
| NET POSITION, BEGINNING OF YEAR  | 9,480,496          | 8,774,283                  |
| NET POSITION, END OF YEAR        | \$10,517,599       | \$9,480,496                |



