

2016-2017

Annual Report

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

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From the Chief Executive Officer

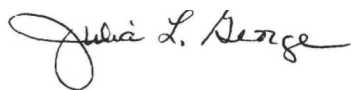
As in years past, this Annual Report was designed to give you more detailed information about the Board than is required by State Law. For example, as I prepare this letter the number of licensed nurses in North Carolina has surpassed 157,000. Among those licensees are 11,000 Advanced Practice Registered Nurses (APRN), a record for North Carolina. Our state is very fortunate in that, as our population grows to more than 10.5 million people, our nursing population continues to increase.

A new era of interstate licensure was ushered in this year when the North Carolina General Assembly passed and the Governor signed the Enhanced Nurse Licensure Compact legislation (eNLC) in July 2017. North Carolina was the 26th state to pass the necessary legislation which triggered enactment of the eNLC, which will be implemented on January 19, 2018.

This past year there have been numerous high profile news stories about organizations that have unwittingly compromised personal data of their clients or customers. The Board of Nursing continues to maintain all licensee personally identifiable information with great care to preserve the security and confidentiality of personal information from unauthorized access, use or disclosure. In addition, we are periodically audited by the FBI to confirm that our systems meet compliance requirements and that licensee data is thoroughly protected.

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

Respectfully,



Julia L. George, RN, MSN, FRE



Board Members



Members from left to right: Glenda Parker, Frank DeMarco, Peggy Walters, Christina Weaver (term ended 5/2017), Sharon Moore, Yolanda VanRiel, Bob Newsom, Mary Jones, Carol Walker, Lisa Hallman, SEATED: Martha Ann Harrell, Pat Campbell (Chair); Not Pictured: Deborah Herring (Vice Chair), Becky Ezell (term began 5/2017)

Elected/Appointed Board

Pat Campbell – CHAIR

Deborah Herring – VICE-CHAIR

Frank DeMarco

Becky Ezell

Lisa Hallman

Martha Ann Harrell

Mary Jones

Sharon Moore

Bob Newsom

Glenda Parker

Yolanda VanRiel

Peggy Walters

Carol Walker

Vacant Position – NC Senate Appointment

Regulatory Reporting

"...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:
185,539

2. The number of persons who applied to the board for examination:
5,811

3. The number who were refused examination:
0

4. The number who took the examination:
5,791

5. The number to whom initial licenses were issued:
5,194

5a. The number who failed the examination:
938

6. The number who applied for license by reciprocity or comity:
5,068

7. The number who were granted licenses by reciprocity or comity:
4,666

7a. The number of official complaints received involving licensed and unlicensed activities:
1,448

7b. The number of disciplinary actions taken against licensees, or other actions taken against non-licensees including injunctive relief:
237

8. The number of licenses suspended or revoked:
102

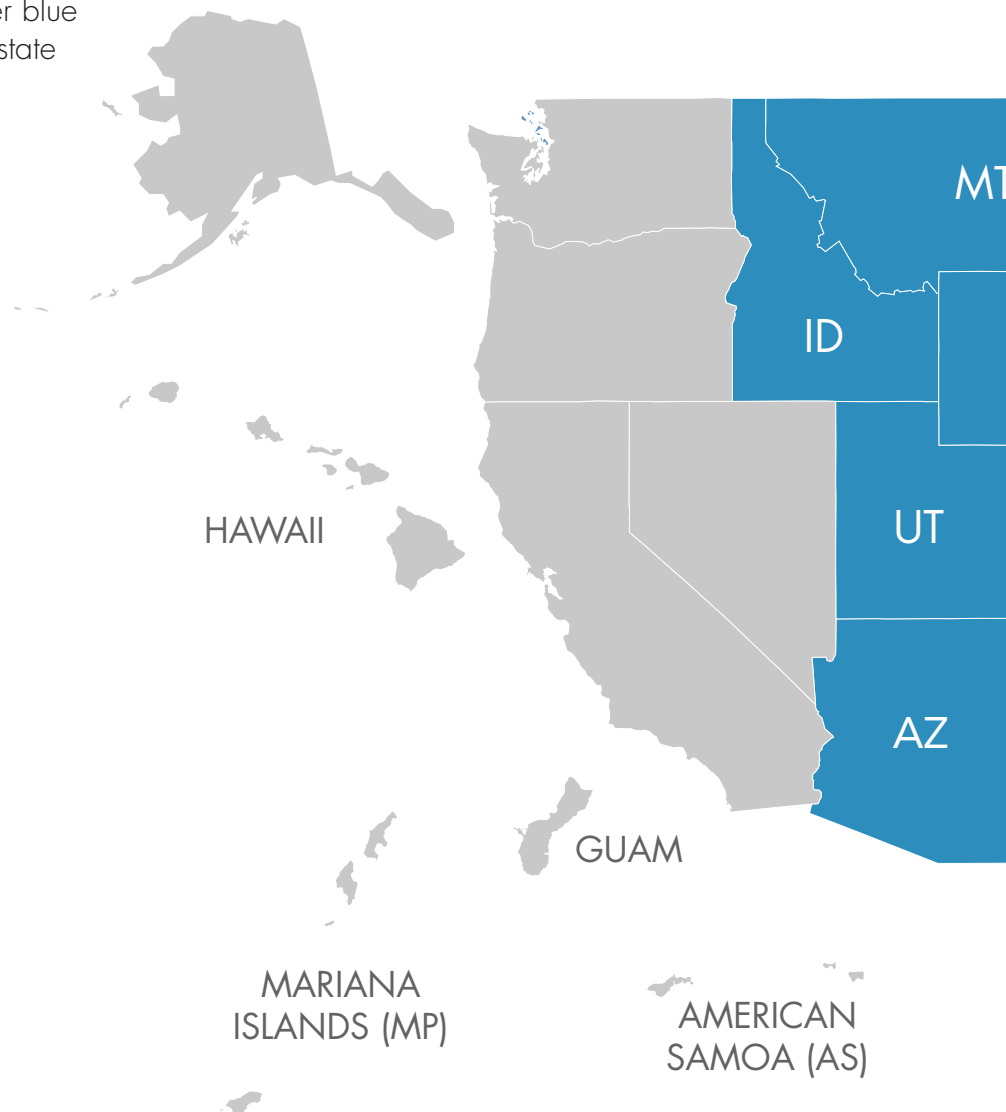
9. The number of licenses terminated for any reason other than failure to pay the required renewal fee:
0

*The North Carolina Board of Nursing supervises the licenses of Licensed Practical Nurses and Registered Nurses. The North Carolina Board of Nursing also supervises the Nurse Aide II listing and the Approvals to Practice for Nurse Practitioners, Certified Nurse Midwives, Certified Registered Nurse Anesthetists and Clinical Nurse Specialists.



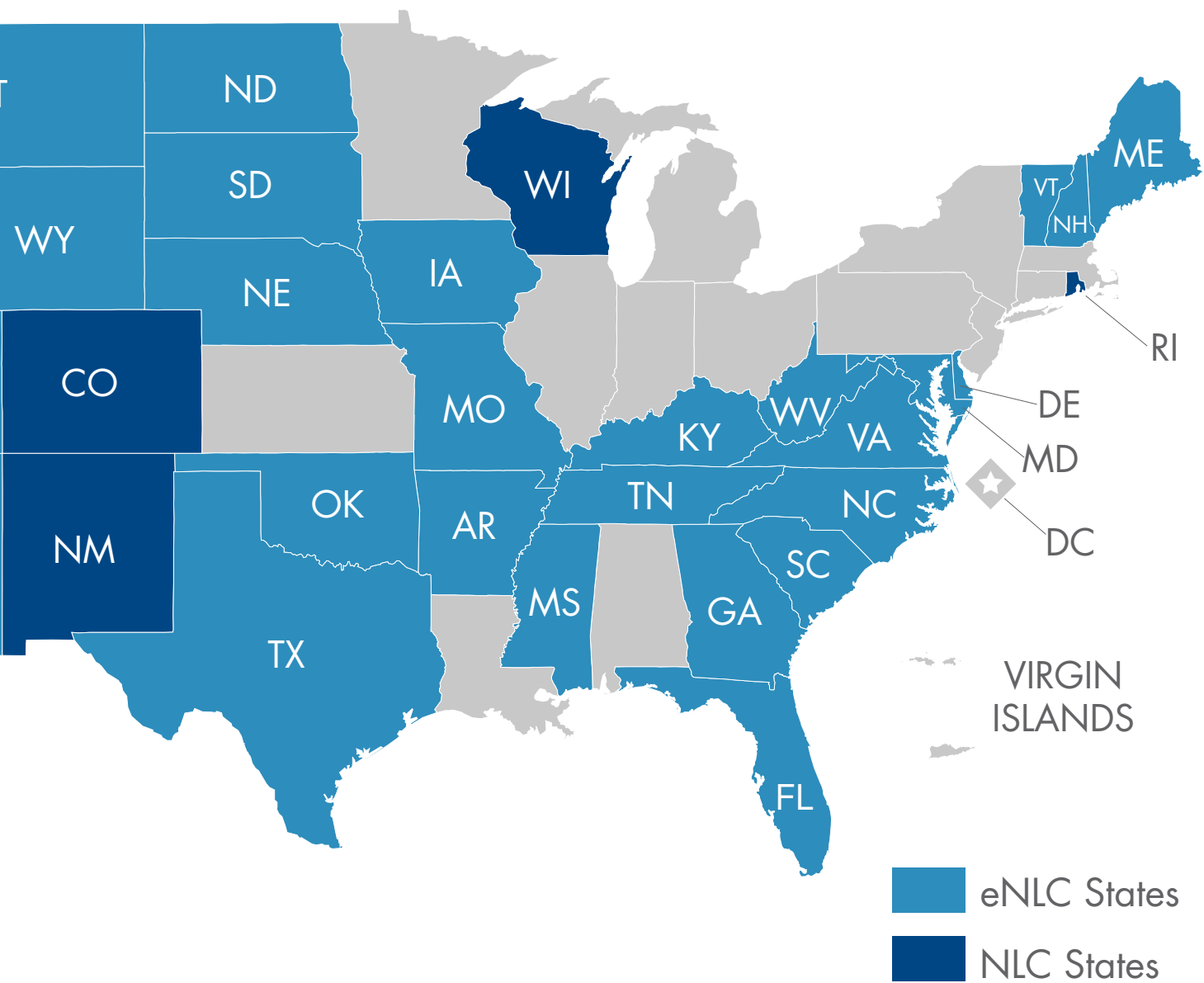
As of Jan. 19, 2018, the eNLC multistate license allows nurses to practice in other eNLC states (lighter blue states) but not in the remaining original NLC states (darker blue states) unless they apply for a single-state license in those states.

**For up-to-date information,
visit ncsbn.org/eNLC.**



Unlocking Access to Nursing Care Across the Nation

eNLC Multistate License





Administrative Rule Actions

The Board of Nursing operates under the NC Administrative Code Title 21 Occupational Licensing Boards Chapter 36 – Board of Nursing. In FY 2016-2017, the Board amended fifteen (15) rules. In FY 2017-2018 the Board anticipates an additional revision to one (1) rule and will conduct a Periodic Review of Existing Rules.

Amended Rules

Effective December 1, 2016

- 21 NCAC 36 .0120 Definitions
- 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

Effective March 1, 2017

- 21 NCAC 36 .0806 Annual Renewal
- 21 NCAC 36 .0807 Continuing Education (CE)
- 21 NCAC 36 .0808 Prescribing Authority

Effective June 1, 2017

- 21 NCAC 36 .0120 Definitions
- 21 NCAC 36 .0217 Investigations; Disciplinary Hearings

Anticipated Revisions

Anticipated Effective Date December 1, 2017

- 21 NCAC 36 .0815 Reporting Criteria

Periodic Review of Existing Rules

In 2017, the Board conducted a review of the Board's existing administrative rules in accordance with N.C. Gen. Stat. §150B-21.3A. The Periodic Review Determination Report will be reviewed by the Rules Review Commission in November 2017. In 2018, the Board anticipates re-adoption of Rules based upon the final determination report and the deadline for re-adoption as established by the Commission.



Practice Act Amendments



In 2017, the Board proposed legislation to update the Nurse Licensure Compact. The Enhanced Nurse Licensure Compact (eNLC) was signed into law by Governor Roy Cooper on July 20, 2017.





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

	<u>June 30</u>	
	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$1,011,634	\$937,621
Accrued interest receivable	42,279	38,647
Accounts receivable	14,852	14,754
Deposit on asset	—	34,838
Prepaid expenses and other assets	113,408	82,591
Investments - current portion	678,161	1,030,664
Deferred compensation investments	—	98,129
Total current assets	<u>1,860,334</u>	<u>2,237,244</u>
Noncurrent assets		
Investments	<u>11,231,215</u>	<u>9,827,352</u>
Total noncurrent assets	<u>11,231,215</u>	<u>9,827,352</u>
Capital assets - net of depreciation	<u>6,635,173</u>	<u>6,781,468</u>
TOTAL ASSETS	<u>\$19,726,722</u>	<u>\$18,846,064</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	164,814	133,948
Current portion of accrued vacation	—	19,693
Deferred compensation liability	—	98,129
Current portion of deferred revenues	3,890,883	3,739,449
Current portion of note payable	—	161,676
Total current liabilities	<u>4,055,697</u>	<u>4,152,895</u>
Noncurrent liabilities		
Accrued vacation	441,979	436,120
Deferred revenue	<u>3,890,882</u>	<u>3,739,450</u>
Total long term liabilities	<u>4,332,861</u>	<u>4,175,570</u>
TOTAL LIABILITIES	<u>\$8,388,558</u>	<u>\$8,328,465</u>
NET POSITION		
Investment in fixed assets	6,635,173	6,619,792
Unrestricted net assets	<u>4,702,991</u>	<u>3,897,807</u>
TOTAL NET POSITION	<u>\$11,338,164</u>	<u>\$10,517,599</u>

Financial Statement

Statement of Revenue, Expenses and Changes in Net Position

	2017	June 30 2016
OPERATING REVENUE		
License renewals	\$6,752,178	\$6,286,836
Examination fees	530,205	512,527
Reinstatements	152,320	182,248
Endorsements into state	938,548	837,446
Labels	94,070	82,408
Hearing and settlement	15,923	9,600
Advanced Practice-RN	441,678	435,460
Nurse aide registry	202,158	212,716
Other	91,343	89,387
TOTAL OPERATING REVENUE	<u>9,218,423</u>	<u>8,648,628</u>
OPERATING EXPENSES		
Salaries and related benefits	6,638,996	6,150,682
Operations	1,844,204	1,735,493
Election	6,390	6,390
Conventions & conferences	105,114	113,604
Board meetings	56,397	39,161
Hearings	53,489	42,722
Committee meetings	26,883	29,252
Other regulatory services	21,283	24,198
TOTAL OPERATING EXPENSES	<u>8,752,756</u>	<u>8,141,502</u>
OPERATING INCOME	465,667	507,126
NON-OPERATING REVENUE (EXPENSES)		
Net investment income	355,332	550,931
Interest expense	(434)	(20,954)
TOTAL NON-OPERATING REVENUE	<u>354,898</u>	<u>529,977</u>
CHANGE IN NET POSITION	820,565	1,037,103
NET POSITION, BEGINNING OF YEAR	10,517,599	9,480,496
NET POSITION, END OF YEAR	<u>\$11,338,164</u>	<u>\$10,517,599</u>

North Carolina Board of Nursing

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