

NAME OF STATE BOARD

NC BOARD OF PHYSICAL THERAPY EXAMINERS

8300 Health Park, Suite 233

Raleigh, NC 27615-4731

OSBM Annual Reports for Year End 06/30/2021

Telephone: 919-490-6393

Fax: 919-490-5106

Website: www.ncptboard.org

Kathy O'Dwyer Arney, PT, MA Executive Director

Email address: karney@ncptboard.org

Report submitted by: Cynthia D. Kiely, Director of Administration

cindy@ncptboard.org

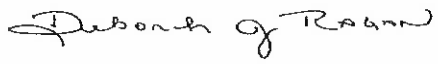
North Carolina Board of Physical Therapy Examiners
Fiscal Year 2021
July 1, 2020 - June 30, 2021

93B 2 (a)	Information requested	NCBPTE Response
(1)	The address of the board, and the names of its members and officers.	See attached
(1a)	The total number of licensees supervised by the board	13780 This number reflects the total number of both PT and PTA licensees with an "active" license as of 06-30-20
(2)	The number of persons who applied to the board for examination	827
(3)	The number who were refused examination	0
(4)	The number who took the examination.	655
(5)	The number to whom initial licenses were issued.	630
(5a)	The number who failed the examination.	25
(6)	The number who applied for license by reciprocity or comity.	629
(7)	The number who were granted licenses by reciprocity or comity.	555
(7a)	The number of official complaints received involving licensed and unlicensed activities	47
(7b)	The number of disciplinary actions taken against licensees, or other actions taken against non-licensees, including injunctive relief.	Disciplinary Actions: 4 Other actions: 0
(8)	The number of licenses suspended or revoked.	0
(9)	The number of licenses terminated for any reason other than failure to pay the required renewal fee.	0

(9a)	The number of applicants for a license and, of that number, the number granted a license.	Applicants for a license: 1622 Number granted a license: 1367
(9b)	The number of applicants with a conviction record and, of that number, the number granted a license, denied a license for any reason, and denied a license because of a conviction.	Applicants with conviction record: 3 Number granted a license: 3 Number denied a license for any reason: 0 Number denied a license because of conviction: 0
(9c)	The number of applicants with military training, the number granted a license, the number denied a license for any reason, and a summary of the reasons for denial. The information provided in accordance with this subdivision shall not disclosed any identifying information of any applicant.	Military training applicants: 0 Granted a licensed: 0 Denied a license: 0
(9d)	The number of applicants who are military spouses, the number granted a license, the number denied a license for any reason, and a summary of the reasons for denial. The information provided in accordance with this subdivision shall not disclose any identifying information of any applicant.	Military spouse applicants: 44 Military Spouse granted License: 22 Denied a license: 0
(10)	The substance of any anticipated request by the occupational licensing board to the General Assembly to amend statutes related to the occupational licensing board.	NONE
(11)	The substance of any anticipated change in rules adopted by the occupational licensing board or the substance of any anticipated adoption of new rules by the occupational licensing board.	See attached
93B-2(e)		
(1)	The number of applicants for a license and, of that number, the number granted a license.	Applicants for a license: 1622 Number granted a license: 1367
(2)	The number of applicants with a conviction record and, of that number,	Applicants with conviction record: 3

	the number granted a license, denied a license for any reason, and denied a license because of a conviction	Number granted a license: 3 Number denied a license for any reason: 0 Number denied a license because of conviction: 0
(3)	The number of applicants with military training, the number granted a license, the number denied a license for any reason, and summary of the reasons for denial. The information provided in accordance with this subdivision shall not disclose any identifying information of any applicant.	Military trained applicants: 0 Military trained granted a license: 0 Military trained denied a license: 0
(4)	The number of applicants who are military spouses, the number granted a license, the number denied a license for any reason, and a summary of the reasons for denial. The information provided in accordance with this subdivision shall not disclose any identifying information of any applicant. (1957, c. 1377, s. 2; 1969, c. 42; 2006-70, s. 1; 2007-323, s. 23.2; 2009-125, s. 2; 2011-291, ss. 2.19, 2.20; 2014-120, s. 4; 2019, s. 3; 2020-87, s. 2(a))	Military spouse applicants: 44 Military spouse granted a license: 22 Military spouse denied a license: 0

SUBMISSION FOR PERMANENT RULE

1. Rule-Making Agency: NC BOARD OF PHYSICAL THERAPY EXAMINERS	
2. Rule citation & name (name not required for repeal): 21 NCAC 48D .0107 PERSONS REFUSED EXAMINATION PERMISSION	
3. Action: <input type="checkbox"/> ADOPTION <input checked="" type="checkbox"/> AMENDMENT <input type="checkbox"/> REPEAL <input type="checkbox"/> READoption <input type="checkbox"/> REPEAL through READoption	
4. Rule exempt from RRC review? <input type="checkbox"/> Yes. Cite authority: <input checked="" type="checkbox"/> No	5. Rule automatically subject to legislative review? <input type="checkbox"/> Yes. Cite authority: <input checked="" type="checkbox"/> No
6. Notice for Proposed Rule: <input checked="" type="checkbox"/> Notice Required Notice of Text published on: January 15, 2021 Link to Agency notice: https://www.ncptboard.org/index.html Hearing on: March 10, 2021 Adoption by Agency on: June 9, 2021 <input type="checkbox"/> Notice not required under G.S.: Adoption by Agency on:	
7. Rule establishes or increases a fee? (See G.S. 12-3.1) <input type="checkbox"/> Yes Agency submitted request for consultation on: Consultation not required. Cite authority: <input checked="" type="checkbox"/> No	8. Fiscal impact. Check all that apply. <input type="checkbox"/> This Rule was part of a combined analysis. <input type="checkbox"/> State funds affected <input type="checkbox"/> Local funds affected <input type="checkbox"/> Substantial economic impact (≥\$1,000,000) <input type="checkbox"/> Approved by OSBM <input checked="" type="checkbox"/> No fiscal note required
<div style="text-align: center;">9. REASON FOR ACTION</div> <p>9A. What prompted this action? Check all that apply:</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> Agency <input type="checkbox"/> Court order / cite: <input type="checkbox"/> Federal statute / cite: <input type="checkbox"/> Federal regulation / cite: </div> <div style="width: 45%;"> <input type="checkbox"/> Legislation enacted by the General Assembly Cite Session Law: <input type="checkbox"/> Petition for rule-making <input type="checkbox"/> Other: </div> </div> <p>9B. Explain: Session Law 2020-3 was enacted on May 4, 2020 and authorized Occupational Licensing Boards to take various steps to protect the economic well-being of the citizens of the State in light of the COVID-19 pandemic. This rule is part of a group of rules that were previously adopted as temporary rules in response to Session Law 2020-3 and is an exercise of regulatory flexibility for the benefit of licensees. The amendments in this rule make the rule consistent with current practice and policy by the NCBPTE.</p>	
10. Rulemaking Coordinator: Deborah Ragan 8300 Health Park, Suite 233 Raleigh, NC 27615 Phone: 919-490-6393 E-Mail: Dragan@ncptboard.org Additional agency contact, if any: Phone: E-Mail:	11. Signature of Agency Head* or Rule-making Coordinator: <div style="text-align: center;">  </div> <hr/> <p>*If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form.</p> <p>Typed Name: Deborah Ragan, PT Title: Rulemaking Coordinator</p>
RRC AND OAH USE ONLY	
Action taken: <input type="checkbox"/> RRC extended period of review: <input type="checkbox"/> RRC determined substantial changes: <input type="checkbox"/> Withdrawn by agency <input type="checkbox"/> Subject to Legislative Review <input type="checkbox"/> Other:	

21 NCAC 48D .0107 is amended as published in 35:14 NCR 1582 as follows:

21 NCAC 48D .0107 PERSONS REFUSED EXAMINATION PERMISSION

(a) The Board shall refuse permission to take the examination to any person who:

- (1) Does not meet the requirements as set forth in the Physical Therapy Practice Act;
- (2) Furnishes false information to the Board on the application; or
- (3) Fails to furnish personal background information as required by these Rules.

~~(b) The Board and Federation have authority to approve an applicant's exam eligibility, eligibility and may delegate its authority to the Federation. Upon delegation of said authority, the~~ The Board shall approve exam eligibility for foreign-trained applicants. The Federation shall grant exam eligibility for all other applicants as set forth in National Physical Therapy Examination policies, which are available free of charge at the Board's office and at www.fsbpt.org.

~~(b)(c)~~ Any applicant who is refused permission to take the examination shall be entitled to petition the Board for a contested case hearing pursuant to Subchapter 48G, Section .0500 of this Chapter.

(d) Any applicant who is refused permission to take the examination by the Federation has the option to appeal using the policies set forth in Paragraph (b) of this Rule.

History Note: Authority G.S. 90-270.92; 90-270.95; 90-270.97; 90-270.100; 90-270.103;

Eff. February 1, 1976;

Readopted Eff. September 30, 1977;

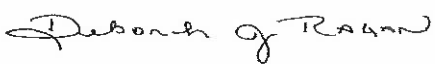
Amended Eff. December 1, 2006; August 1, 2002; December 30, 1985;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1, 2018;

Temporary Amendment Eff. September 25, ~~2020~~ 2020;

Amended Eff. August 1, 2021.

SUBMISSION FOR PERMANENT RULE

1. Rule-Making Agency: NC BOARD OF PHYSICAL THERAPY EXAMINERS	
2. Rule citation & name (name not required for repeal): 21 NCAC 48D .0109 RETAKING EXAMINATION	
3. Action: <input type="checkbox"/> ADOPTION <input checked="" type="checkbox"/> AMENDMENT <input type="checkbox"/> REPEAL <input type="checkbox"/> READoption <input type="checkbox"/> REPEAL through READoption	
4. Rule exempt from RRC review? <input type="checkbox"/> Yes. Cite authority: <input checked="" type="checkbox"/> No	5. Rule automatically subject to legislative review? <input type="checkbox"/> Yes. Cite authority: <input checked="" type="checkbox"/> No
6. Notice for Proposed Rule: <input checked="" type="checkbox"/> Notice Required Notice of Text published on: January 15, 2021 Link to Agency notice: https://www.ncptboard.org/index.html Hearing on: March 10, 2021 Adoption by Agency on: June 9, 2021 <input type="checkbox"/> Notice not required under G.S.: Adoption by Agency on:	
7. Rule establishes or increases a fee? (See G.S. 12-3.1) <input type="checkbox"/> Yes Agency submitted request for consultation on: Consultation not required. Cite authority: <input checked="" type="checkbox"/> No	8. Fiscal impact. Check all that apply. <input type="checkbox"/> This Rule was part of a combined analysis. <input type="checkbox"/> State funds affected <input type="checkbox"/> Local funds affected <input type="checkbox"/> Substantial economic impact (≥\$1,000,000) <input type="checkbox"/> Approved by OSBM <input checked="" type="checkbox"/> No fiscal note required
<div style="text-align: center;">9. REASON FOR ACTION</div> <div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> 9A. What prompted this action? Check all that apply: <input checked="" type="checkbox"/> Agency <input type="checkbox"/> Court order / cite: <input type="checkbox"/> Federal statute / cite: <input type="checkbox"/> Federal regulation / cite: </div> <div style="width: 48%;"> <input type="checkbox"/> Legislation enacted by the General Assembly Cite Session Law: <input type="checkbox"/> Petition for rule-making <input type="checkbox"/> Other: </div> </div> 9B. Explain: Session Law 2020-3 was enacted on May 4, 2020 and authorized Occupational Licensing Boards to take various steps to protect the economic well-being of the citizens of the State in light of the COVID-19 pandemic. This rule is part of a group of rules that were previously adopted as temporary rules in response to Session Law 2020-3 and is an exercise of regulatory flexibility for the benefit of licensees. The amendments in this rule make the rule consistent with current practice and policy by the NCBPTE.	
10. Rulemaking Coordinator: Deborah Ragan 8300 Health Park, Suite 233 Raleigh, NC 27615 Phone: 919-490-6393 E-Mail: Dragan@ncptboard.org Additional agency contact, if any: Phone: E-Mail:	11. Signature of Agency Head* or Rule-making Coordinator: <div style="text-align: center;">  </div> <hr/> *If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form. Typed Name: Deborah Ragan, PT Title: Rulemaking Coordinator
RRC AND OAH USE ONLY	
Action taken: <input type="checkbox"/> RRC extended period of review: <input type="checkbox"/> RRC determined substantial changes: <input type="checkbox"/> Withdrawn by agency <input type="checkbox"/> Subject to Legislative Review <input type="checkbox"/> Other:	

21 NCAC 48D .0109 is amended as published in 35:14 NCR 1582-1583 as follows:

21 NCAC 48D .0109 RETAKING EXAMINATION

(a) Arrangements for Retake. To retake the examination, the applicant shall notify the Board in writing, and pay the retake fee as specified in 21 NCAC 48F .0102. The examination cost as set forth by the Federation (www.fsbpt.org) is hereby incorporated by reference and includes subsequent amendments and editions. ~~A copy of the retake application may be obtained from the Board's website at no charge. If the Federation approves exam eligibility, the Federation shall administer the retake process according to NPTE policies, which may be found at www.fsbpt.org.~~

~~(b) Retake Examination. The Board shall administer a particular form of the examination to an applicant only one time.~~

~~(e)(b)~~ Limitations. An applicant shall be limited to taking the examination the number of times allowed by the Federation as indicated on the Federation's website (www.fsbpt.org).

History Note: Authority G.S. 90-270.92; 90-270.95; 90-270.97; 90-270.100;
Emergency Regulation Eff. July 23, 1979, for a period of 120 days to expire on November 20, 1979;
Made Permanent Eff. November 20, 1979;
Amended Eff. February 1, 2015; February 1, 1996; November 1, 1993; August 1, 1988; May 1, 1988;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1, 2018;
Temporary Amendment Eff. September 25, 2020; 2020;
Amended Eff. August 1, 2021.

SUBMISSION FOR PERMANENT RULE

1. Rule-Making Agency: NC BOARD OF PHYSICAL THERAPY EXAMINERS	
2. Rule citation & name (name not required for repeal): 21 NCAC 48D .0111 APPLICANTS WITH SPECIAL NEEDS	
3. Action: <input type="checkbox"/> ADOPTION <input checked="" type="checkbox"/> AMENDMENT <input type="checkbox"/> REPEAL <input type="checkbox"/> READoption <input type="checkbox"/> REPEAL through READoption	
4. Rule exempt from RRC review? <input type="checkbox"/> Yes. Cite authority: <input checked="" type="checkbox"/> No	5. Rule automatically subject to legislative review? <input type="checkbox"/> Yes. Cite authority: <input checked="" type="checkbox"/> No
6. Notice for Proposed Rule: <input checked="" type="checkbox"/> Notice Required Notice of Text published on: January 15, 2021 Link to Agency notice: https://www.ncptboard.org/index.html Hearing on: March 10, 2021 Adoption by Agency on: June 9, 2021 <input type="checkbox"/> Notice not required under G.S.: Adoption by Agency on:	
7. Rule establishes or increases a fee? (See G.S. 12-3.1) <input type="checkbox"/> Yes Agency submitted request for consultation on: Consultation not required. Cite authority: <input checked="" type="checkbox"/> No	8. Fiscal impact. Check all that apply. <input type="checkbox"/> This Rule was part of a combined analysis. <input type="checkbox"/> State funds affected <input type="checkbox"/> Local funds affected <input type="checkbox"/> Substantial economic impact (≥\$1,000,000) <input type="checkbox"/> Approved by OSBM <input checked="" type="checkbox"/> No fiscal note required
<div style="text-align: center;">9. REASON FOR ACTION</div> 9A. What prompted this action? Check all that apply: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> Agency <input type="checkbox"/> Court order / cite: <input type="checkbox"/> Federal statute / cite: <input type="checkbox"/> Federal regulation / cite: </div> <div style="width: 45%;"> <input type="checkbox"/> Legislation enacted by the General Assembly Cite Session Law: <input type="checkbox"/> Petition for rule-making <input type="checkbox"/> Other: </div> </div> 9B. Explain: Session Law 2020-3 was enacted on May 4, 2020 and authorized Occupational Licensing Boards to take various steps to protect the economic well-being of the citizens of the State in light of the COVID-19 pandemic. This rule is part of a group of rules that were previously adopted as temporary rules in response to Session Law 2020-3 and is an exercise of regulatory flexibility for the benefit of licensees. The amendments in this rule make the rule consistent with current practice and policy by the NCBPTE.	
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RRC AND OAH USE ONLY	
Action taken: <input type="checkbox"/> RRC extended period of review: <input type="checkbox"/> RRC determined substantial changes: <input type="checkbox"/> Withdrawn by agency <input type="checkbox"/> Subject to Legislative Review <input type="checkbox"/> Other:	

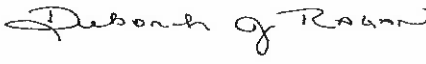
21 NCAC 48D .0111 is amended as published in 35:14 NCR 1583 as follows:

21 NCAC 48D .0111 APPLICANTS WITH SPECIAL NEEDS

Examination candidates who need special accommodations for the examination as a result of a medical or physical ~~dysfunction~~ disability shall file an Accommodation Request Form and supporting documentation with the ~~executive director~~ Executive Director at least 60 days before the examination date in order for the request to be considered by the Board. If the Federation grants exam eligibility, the accommodation request shall be made pursuant to Federation testing accommodation policy, which may be found at www.fsbpt.org.

History Note: Authority G.S. 90-270.92; P.L. 101-336;
 Eff. October 1, 1995;
 Amended Eff. February 1, 1996;
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1,
 2018;
 Temporary Amendment Eff. September 25, 2020. 2020;
 Amended Eff. August 1, 2021.

SUBMISSION FOR PERMANENT RULE

1. Rule-Making Agency: NC BOARD OF PHYSICAL THERAPY EXAMINERS	
2. Rule citation & name (name not required for repeal): 21 NCAC 48E .0101 FILING APPLICATION	
3. Action: <input type="checkbox"/> ADOPTION <input checked="" type="checkbox"/> AMENDMENT <input type="checkbox"/> REPEAL <input type="checkbox"/> READOPTION <input type="checkbox"/> REPEAL through READOPTION	
4. Rule exempt from RRC review? <input type="checkbox"/> Yes. Cite authority: <input checked="" type="checkbox"/> No	5. Rule automatically subject to legislative review? <input type="checkbox"/> Yes. Cite authority: <input checked="" type="checkbox"/> No
6. Notice for Proposed Rule: <input checked="" type="checkbox"/> Notice Required Notice of Text published on: January 15, 2021 Link to Agency notice: https://www.ncptboard.org/index.html Hearing on: March 10, 2021 Adoption by Agency on: June 9, 2021 <input type="checkbox"/> Notice not required under G.S.: Adoption by Agency on:	
7. Rule establishes or increases a fee? (See G.S. 12-3.1) <input type="checkbox"/> Yes Agency submitted request for consultation on: Consultation not required. Cite authority: <input checked="" type="checkbox"/> No	8. Fiscal impact. Check all that apply. <input type="checkbox"/> This Rule was part of a combined analysis. <input type="checkbox"/> State funds affected <input type="checkbox"/> Local funds affected <input type="checkbox"/> Substantial economic impact (≥\$1,000,000) <input type="checkbox"/> Approved by OSBM <input checked="" type="checkbox"/> No fiscal note required
<p style="text-align: center;">9. REASON FOR ACTION</p> <p>9A. What prompted this action? Check all that apply:</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> Agency <input type="checkbox"/> Court order / cite: <input type="checkbox"/> Federal statute / cite: <input type="checkbox"/> Federal regulation / cite: </div> <div style="width: 45%;"> <input type="checkbox"/> Legislation enacted by the General Assembly Cite Session Law: <input type="checkbox"/> Petition for rule-making <input type="checkbox"/> Other: </div> </div> <p>9B. Explain: Session Law 2020-3 was enacted on May 4, 2020 and authorized Occupational Licensing Boards to take various steps to protect the economic well-being of the citizens of the State in light of the COVID-19 pandemic. This rule is part of a group of rules that were previously adopted as temporary rules in response to Session Law 2020-3 and is an exercise of regulatory flexibility for the benefit of licensees. The amendments in this rule make the rule consistent with current practice and policy by the NCBPTE.</p>	
10. Rulemaking Coordinator: Deborah Ragan 8300 Health Park, Suite 233 Raleigh, NC 27615 Phone: 919-490-6393 E-Mail: Dragan@ncptboard.org Additional agency contact, if any: Phone: E-Mail:	11. Signature of Agency Head* or Rule-making Coordinator: <div style="text-align: center; margin-top: 20px;">  </div> <hr style="border: 0; border-top: 1px solid black; margin: 10px 0;"/> <p>*If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form.</p> <p>Typed Name: Deborah Ragan, PT Title: Rulemaking Coordinator</p>
RRC AND OAH USE ONLY	
Action taken:: <div style="margin-top: 10px;"> <input type="checkbox"/> RRC extended period of review: <input type="checkbox"/> RRC determined substantial changes: <input type="checkbox"/> Withdrawn by agency <input type="checkbox"/> Subject to Legislative Review <input type="checkbox"/> Other: </div>	

1 21 NCAC 48E .0101 is amended as published in 35:14 NCR 1583 as follows:

3 SUBCHAPTER 48E - APPLICATION FOR LICENSURE

4 SECTION .0100 – REQUIREMENTS

5
6 21 NCAC 48E .0101 **FILING APPLICATION AND BOARD DETERMINATION OF EXAM**
7 **ELIGIBILITY**

8 (a) An applicant for licensure shall ensure that his or her credentials are filed with the ~~executive director~~ Executive
9 Director in accordance with the rules of this Subchapter.

10 (b) ~~To be considered for a desired examination date, the applicant~~ Applicants pursuant to G.S. 90-270-97 shall
11 submit all application requirements to the ~~executive director~~ Executive Director at least 30 days prior to the
12 examination.

13 (c) The Board shall not approve an application until the applicant has graduated as defined by 21 NCAC 48A
14 .0105(6).

15
16 *History Note: Authority G.S. 90-270.92; 90-270.95; 90-270.98(b);*
17 *Eff. February 1, 1976;*
18 *Readopted Eff. September 30, 1977;*
19 *Amended Eff. May 1, 1988; December 30, 1985; October 28, 1979;*
20 *Recodified Paragraph (c) to 21 NCAC 48C .0501 Eff. January 25, 1989;*
21 *Amended Eff. July 1, 2013; August 1, 1998; February 1, 1996;*
22 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1,*
23 *2018;*
24 *Amended Eff. May 1, 2020;*
25 *Temporary Amendment Eff. September 25, 2020- 2020;*
26 *Amended Eff. August 1, 2021.*

NORTH CAROLINA BOARD OF PHYSICAL THERAPY EXAMINERS – effective 03-11-2021

BOARD MEMBERS	
Teresa F. Hale, PT, Chair Term Expires: 2023	112 Scarlet Bell Drive Youngsville, NC 27596 C: 919-880-1596 Email: thale@alliedrehab.net
C. David Edwards, PT, Secretary/Treasurer Term expires: 2023	508 Westminster Circle Greenville, NC 27858 C: 252-902-7061 Email: davidedwards@kineticptgreenville.com
Crystal D. Ostlind, PTA, Secretary/Treasurer Term expires: 2021	29 Cattle Run Lane Carolina Shores NC 28467 C- 910/988-5242, W: 910/458-8884 Email: cmorrispta@nc.rr.com
Dr. Paul Garcia, Physician Member Term expires: 2022	140 Sabre Point Drive Bath, NC 27808 W: 866-998-2597, C: 252-714-2772 New work location: Trillium Health Resources – LME/MCO; Medical Director, Utilization Management Email: paulgarciamd@hotmail.com
Leslie P. Kesler, PT Term expires: 2021	3101 Durbin Court Wilmington, NC 28409 H: 910/799-0087 W: 910/667-5619 C: 910/465-2130 Fax: 910-342-3232 Email: Leslie.Kesler@nhrmc.org
Rosa Maria Gonzalez, BSN, RN, Public Member Term expires: 2022	253 Linden Ave. SW Concord, NC 28028 P: 704-493-2525 Email: rosa.rm.389@gmail.com
Jamie L. Miner, PT Term expires: 2022	8001 Netherlands Drive Raleigh, NC 27606 C: 678/521-1620 Email: minerjlc@gmail.com
Pearl L. Rhone, PTA Term expires: 2020	2240 Pridgeonfarm Road Fayetteville, NC 28306 C: 910-366-2826 Email: prhone2@gmail.com
OFFICE PERSONNEL	
Kathy O. Arney, PT, Executive Director Email: karney@ncptboard.org Personal Cell: (919) 698-2185	8300 Health Park, Suite 233 Raleigh, NC 27615 B: 919-490-6393 Fax: 919-490-5106
Deborah J. Ragan, PT, Deputy Director Email: dragan@ncptboard.org Personal Cell: 919-418-6146	
Cindy Kiely, Director of Administration Email: cindy@ncptboard.org H: 919-967-8305; Cell: 919- 257-0565	
Gregg, Seipp, Director of Information Technology Cell: (336) 408-8446 Email: Gregg@ncptboard.org	
ATTORNEY	
David Gadd, Attorney Email: dgadd@satsiskysilverstein.com B Direct: 919-376-2983	Satsisky & Silverstein, LLP 415 Hillsborough St., Suite 201 Raleigh, NC 27603 B: 919-790-9102 Fax: 919-790-1560



3200 CROASDAILE DRIVE
SUITE 501
DURHAM, NC 27705

OFFICE: (919) 383-7026
FAX: (919) 382-0673

Board of Directors

North Carolina Board of Physical Therapy Examiners

In planning and performing our audit of the financial statements of the North Carolina Board of Physical Therapy Examiners as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the North Carolina Board of Physical Therapy Examiners' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the North Carolina Board of Physical Therapy Examiners' internal control. Accordingly, we do not express an opinion on the effectiveness of the North Carolina Board of Physical Therapy Examiners' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, and the Board of Directors of the North Carolina Board of Physical Therapy Examiners, and is not intended to be and should not be used by anyone other than these specified parties.

Garrett, Dodd & Associates, Ltd.

Garrett, Dodd & Associates, Ltd.

Durham, North Carolina

September 21, 2021



3200 CROASDAILE DRIVE
SUITE 501
DURHAM, NC 27705

OFFICE: (919) 383-7026
FAX: (919) 382-0673

September 21, 2021

Board of Directors
North Carolina Board of Physical Therapy Examiners

We have audited the financial statements of the North Carolina Board of Physical Therapy Examiners for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. Professional standards require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the North Carolina Board of Physical Therapy Examiners are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2021. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Board's financial statements were:

Management's estimate of the depreciable lives of capital assets (i.e. equipment and computers). We evaluated the key factors and assumptions used to develop the useful lives and determined that they were reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 21, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the North Carolina Board of Physical Therapy Examiners and is not intended to be and should not be used by anyone other than these specified parties.

GARRETT, DODD & ASSOCIATES, LTD.

Garrett, Dodd & Associates, Ltd

Durham, North Carolina

**NORTH CAROLINA BOARD OF
PHYSICAL THERAPY EXAMINERS**

FINANCIAL STATEMENTS

JUNE 30, 2021

NORTH CAROLINA BOARD OF PHYSICAL THERAPY EXAMINERS

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JUNE 30, 2021

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Independent Auditors' Report

Members of the Board
North Carolina Board of Physical Therapy Examiners
Durham, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the North Carolina Board of Physical Therapy Examiners, an enterprise fund of the State of North Carolina, as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Board's basic 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from 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 judgment, 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 opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the North Carolina Board of Physical Therapy Examiners as of June 30, 2021, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note A, the financial statements present only the North Carolina Board of Physical Therapy Examiners and do not purport to, and do not present fairly the financial position of the State of North Carolina, as of June 30, 2021, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management's Discussion and Analysis

Accounting principles generally accepted in the United States of America require that *management's discussion and analysis* on pages 3-5 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 historical 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 audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2021 on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.

Garrett, Doll & Associates, Ltd

Durham, North Carolina
September 21, 2021

NORTH CAROLINA BOARD OF PHYSICAL THERAPY EXAMINERS

Management's Discussion and Analysis

Introduction

The following discussion and analysis provides an overview to assist the reader in interpreting and understanding the accompanying basic financial statement. This overview includes a comparative financial analysis with discussion of significant changes from the prior year, as well as a discussion of currently known facts, decisions, and conditions. This information is provided by the North Carolina Board of Physical Therapy Examiners (NCBPTE).

Overview of the Basic Financial Statements

The Statement of Net Position provides information relative to the Board's assets, liabilities, and the resulting net position as of the last day of the fiscal year (June 30, 2021). Assets and liabilities on this statement are categorized as either current or noncurrent. Current assets are those that are available to pay for expenses in the next fiscal year. Current liabilities are those payables in the next fiscal year. Net position on this statement is categorized as either invested in capital assets or unrestricted. Overall, the Statement of Net Position provides information relative to the financial strength of the Board and its ability to meet current and long-term obligations.

The Statement of Revenues, Expenses, and Changes in Net Position provides information relative to the results of the Board's operations, non-operating activities, and other activities affecting net position that occurred during the fiscal year. Operating activities include the issuance of licenses, permits and privileges, licensure renewal and examination activities for the practice of physical therapy in the State. The Board does require disciplined licensees to reimburse the Board the "costs of investigation". Non-operating activity includes interest income. Overall, the Statement of Revenues, Expenses, and Changes in Net Position provides information relative to the Board's management of its operations and its ability to maintain its financial strength.

The Statement of Cash Flows provides information relative to the Board's sources and uses of cash funds for operating activities. The statement provides a reconciliation of beginning cash balances to ending cash balances and is representative of activity reported on the Statement of Revenues, Expenses, and Changes in Net Position.

The Statements described above are the basic financial statements required by the Governmental Accounting Standards Board (GASB) accounting principles. In accordance with GASB, the financial statements are presented on the Board as a whole and use reporting concepts in a manner similar to that required of a business enterprise. The financial statement balances reported are presented in a classified format to aid the reader in understanding the nature of the financial statement balances.

In using the basic financial statements, the Notes to the Financial Statements should be read in conjunction with the basic financial statements. The Notes to the Financial Statements provide information relative to the significant accounting principles applied in the basic financial statements, authority for and associated risk of deposits, detailed information on capital assets and noncurrent liabilities, revenues and expenses, required information on pension plans, insurance against losses, commitments and contingencies, accounting changes, and if necessary a discussion of adjustments to prior periods and events subsequent to the Board's financial statement period. Overall, the Notes to the Financial Statements provide information to better understand details, risks, and uncertainties associated with amounts reported in the basic financial statements.

NORTH CAROLINA BOARD OF PHYSICAL THERAPY EXAMINERS
Management's Discussion and Analysis

Brief Agency Highlights

- At the end of the fiscal year ending June 30, 2021, the Board had an operating income of \$304,231, a decrease from 2020 of \$154,976.
- Operating Expenses increased by \$194,408 from June 30, 2020 to June 30, 2021. To continue modernization efforts in fiscal year 2021, Board expenses increased due primarily to hiring an additional software programming contractor and purchase of hardware and software to support increased security of Board data. One additional Board administrative staff was added due to an anticipated retirement. In addition, due to prevention measures for the spread of the COVID-19 virus, continued modernization and use of electronic technology reduced expenses for office supplies and Board meeting related expenses.
- The Board has increased its investment in Certificates of Deposit, all within the limits of coverage by the FDIC.
- Total assets increased from \$2,842,897 on June 30, 2020 to \$3,182,248 in the year ending June 30, 2021. The number of licensure applicants continued to increase as did license renewals. This increase is allowing the Board to make significant updates to its technology infrastructure, transition from paper to electronic Board processes and provide staffing to serve an increasing licensee population and the public protection efforts.
- Current liabilities increased in 2021 from 2020 due to additional employees becoming eligible for vacation benefit accrual. Long-term liabilities decreased due to a majority of current NCBPTE staff having 6 years or less longevity with the Board.
- Net position consists of amounts invested in capital assets of \$104,072 and \$107,501 for June 30, 2020 and June 30, 2021 respectively, and unrestricted amounts of \$2,648,953 and \$2,963,215 respectively. The increase in net position from June 30, 2020 to June 30, 2021 reflects an increase in earnings from 2020 to 2021 of invested assets and increase in operating revenues due to increased numbers of applications and license renewals
- Operating revenues increased by \$39,432 from June 30, 2020 to June 30, 2021 primarily due to an increase in the numbers of licensees paying renewal and application fees

Comparative Financial Highlights

Year End	June 30, 2020	June 30, 2021
Current Assets	\$2,615,930	\$3,074,747
Capital Assets-Net	104,072	107,501
Other Long-term Assets	122,895	--
Total Assets	2,842,897	3,182,248
Current Liabilities	53,227	83,934
Long-term Liabilities	36,645	27,598
Total Liabilities	89,872	111,532
Net Position – Unrestricted	2,648,953	2,963,215
Operating Revenue	1,883,752	1,923,184
Operating Expenses	1,424,545	1,618,953
Operating Income (Loss)	459,207	304,231
Change in Net Position	469,395	317,691

If you have any questions about this report or need additional information, contact:

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NORTH CAROLINA BOARD OF PHYSICAL THERAPY EXAMINERS
STATEMENT OF NET POSITION
ENTERPRISE FUND
JUNE 30, 2021

ASSETS

Current Assets:

Cash and cash equivalents (Note B)	\$ 691,547
Certificates of deposit (at cost) (Note B)	2,376,069
Prepaid expenses	<u>7,131</u>
Total Current Assets	3,074,747

Noncurrent Assets:

Capital assets (Note C)	
Furniture	56,015
Equipment	6,208
Computer equipment	<u>232,543</u>
	294,766
Less accumulated depreciation	<u>(187,265)</u>
	107,501
Total Assets	<u>3,182,248</u>

LIABILITIES

Current Liabilities:

Accounts payable	3,080
Accrued vacation (Note D)	<u>80,854</u>
Total Current Liabilities	83,934

Long-Term Liabilities:

Accrued vacation (Note D)	<u>27,598</u>
Total Liabilities	<u>111,532</u>

NET POSITION

Invested in capital assets	107,501
Unrestricted (Note G)	<u>2,963,215</u>
Total Net Position	<u>\$3,070,716</u>

See Independent Auditors' Report and Notes to Financial Statements

NORTH CAROLINA BOARD OF PHYSICAL THERAPY EXAMINERS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ENTERPRISE FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

OPERATING REVENUES

Charges for services:	
Renewal fees	\$ 1,563,845
License, revival, transfer and other fees	236,214
Credit card processing fees	62,403
Background check fees collected	49,557
Disciplinary reimbursements	7,383
Other revenues	<u>3,782</u>
 Total operating revenues	 <u>1,923,184</u>

OPERATING EXPENSES

Staff salaries	757,354
Payroll tax expense	54,898
Retirement contributions (Note E)	43,343
Board members and other travel	
per diem, subsistence and registration	5,295
Legal and investigation	91,856
Postage	9,797
Copying and printing	3,130
Office supplies and expense	5,817
Office relocation expense	728
Staff registration, travel, meals	2,812
Information technology costs	176,773
Professional fees	37,228
Group insurance	147,954
Insurance	25,981
Membership dues	1,975
Credit card transaction fees	69,372
Equipment rent (Note F)	4,663
Rent (Note F)	77,486
Background check expenses	48,685
Depreciation (Note C)	<u>53,806</u>
 Total operating expenses	 <u>1,618,953</u>
 Operating income	 <u>\$ 304,231</u>

See Independent Auditors' Report and Notes to Financial Statements

NORTH CAROLINA BOARD OF PHYSICAL THERAPY EXAMINERS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ENTERPRISE FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

NONOPERATING REVENUES (EXPENSES):

Interest income	\$ 13,573
Loss on disposal of capital assets	<u>(113)</u>
	<u>13,460</u>
 Change in net position	 317,691
 Net position June 30, 2020, as restated (Note I)	 <u>2,753,025</u>
 Net position June 30, 2021	 <u>\$ 3,070,716</u>

See Independent Auditors' Report and Notes to Financial Statements

NORTH CAROLINA BOARD OF PHYSICAL THERAPY EXAMINERS
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2021

Cash flows from operating activities:	
Cash received from licensees and applicants	\$ 1,912,019
Cash received from others	11,165
Cash paid to employees and professionals	(866,479)
Cash paid to suppliers	<u>(675,779)</u>
Net cash flows provided by operating activities	<u>380,926</u>
 Cash flows from capital and related financing activities	
Acquisition of capital assets	<u>(57,348)</u>
 Cash flows from investing activities	
Receipt of interest income	13,573
Increase in certificates of deposit	<u>(1,714,131)</u>
Net cash flows used by investing activities	<u>(1,700,558)</u>
 Net change in cash and cash equivalents	(1,376,980)
 Cash and cash equivalents - June 30, 2020	<u>2,068,527</u>
 Cash and cash equivalents - June 30, 2021	<u>\$ 691,547</u>
 Reconciliation of operating income to net cash flows provided by operating activities	
Operating income	\$ 304,231
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	53,806
Changes in assets and liabilities:	
(Increase) in prepaid expenses	(1,190)
Decrease in other assets	2,419
Increase in accounts payable - trade	1,701
Increase in accrued vacation	<u>19,959</u>
Net cash provided by operating activities	<u>\$ 380,926</u>

See Independent Auditors' Report and Notes to Financial Statements

NORTH CAROLINA BOARD OF PHYSICAL
THERAPY EXAMINERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Board was established by the North Carolina General Assembly as an occupational licensing board to maintain standards for the practice of physical therapy in North Carolina.

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 statement of net position reflects all assets including long-term assets, and all obligations including long-term obligations.

The statement of revenues, expenses and changes in net position presents a comparison between direct expenses and program revenues of the Board. Primary revenues include fees and other charges paid by the recipients of services.

NORTH CAROLINA BOARD OF PHYSICAL
THERAPY EXAMINERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A (CONTINUED)

Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, the Board's accounts are maintained during the year using the modified accrual basis of accounting. However, at year-end, financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when cash flows take place.

Use of Estimates

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

Cash Equivalents

The Board considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Capital Assets

Capital assets are defined by the Board as assets with an initial individual cost of \$500 or more and an estimated useful life of more than two years. Purchased assets are reported at cost. The cost of normal maintenance and repairs that do not add to the value of an asset or materially extend asset lives are expensed.

NORTH CAROLINA BOARD OF PHYSICAL
THERAPY EXAMINERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A (CONTINUED)

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Furniture and equipment	5-10 years
Computer equipment	3 years

Accrued Vacation

The vacation leave policy of the Board provides for accumulation of earned vacation leave with such leave being fully vested when earned. Because vacation leave is payable to employees at termination, a liability for the outstanding balances has been recorded. That portion of accrued vacation that is estimated to be used in the next fiscal year has been designated as a current liability in the financial statements (first-in, first-out method of using accumulated time).

Net Position

Net positions in the financial statements are classified as invested in capital assets and unrestricted.

NOTE B DEPOSITS AND INVESTMENTS

The Board maintains cash balances, money market accounts and certificates of deposit at various financial institutions. Certificates of deposit have a book and market value of \$2,376,069 at June 30, 2021. Certificates of deposit have varying interest rates and staggered maturities over the next 12 months,

NORTH CAROLINA BOARD OF PHYSICAL
THERAPY EXAMINERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE B (CONTINUED)

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be returned to it. The Board does not have a formal deposit policy for custodial credit risk. As of June 30, 2021, the Board’s deposits of \$3,067,616 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized - \$215,938

NOTE C CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2021 were as follows:

	ASSET			
	June 30, <u>2020</u>	<u>Additions</u>	<u>Retirements</u>	June 30, <u>2021</u>
Furniture	\$ 58,429	\$ -	\$ (2,414)	\$ 56,015
Equipment	6,208	-	-	6,208
Computer Equipment	<u>196,878</u>	<u>57,348</u>	<u>(21,683)</u>	<u>232,543</u>
	<u>\$261,515</u>	<u>\$ 57,348</u>	<u>\$(24,097)</u>	<u>\$294,766</u>

NORTH CAROLINA BOARD OF PHYSICAL
THERAPY EXAMINERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE C (CONTINUED)

DEPRECIATION

	<u>June 30,</u> <u>2020</u>	<u>Current</u> <u>Expense</u>	<u>Retirements</u>	<u>June 30,</u> <u>2021</u>
Furniture	\$ 28,590	\$ 7,132	\$ (2,301)	\$ 33,421
Equipment	4,603	917	-	5,520
Computer Equipment	<u>124,250</u>	<u>45,757</u>	<u>(21,683)</u>	<u>148,324</u>
	<u>\$ 157,443</u>	<u>\$53,806</u>	<u>\$(23,984)</u>	<u>\$187,265</u>

NOTE D ACCRUED VACATION

The changes in accrued vacation are as follows:

	<u>June 30,</u> <u>2020</u>	<u>Additions</u>	<u>Used</u>	<u>June 30,</u> <u>2021</u>
Amount	\$88,493	\$100,813	\$80,854	\$108,452

The amount representing the current portion of vacation leave is \$80,854.

NOTE E RETIREMENT PLAN

The North Carolina Licensing Boards Retirement Plan is a multiple-employer, cost-sharing defined contribution plan. Participating employees must contribute 6% of their gross pay and the board matches those contributions 100%. Employee's contributions are 100% vested; the Board's matching contributions are 100% vested after 5 years of credited service. The Board contributed a 6% matching share (\$43,343) on behalf of its employees.

NORTH CAROLINA BOARD OF PHYSICAL
THERAPY EXAMINERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE F LEASE OBLIGATIONS

The Board leases office space and office equipment through operating leases under which future minimum rentals are as follows:

<u>Year ended June 30:</u>	<u>Amount</u>
2022	\$ 82,670
2023	87,572
2024	90,052
2025	92,078
2026	94,149
Thereafter	211,168
	<u>\$657,689</u>

NOTE G NET POSITION

The Board has assigned portions of its unrestricted net position for the following purposes:

Designated

Reserve for prepaid expenses	\$ 7,131
Information technology reserve	300,000
Replacement of property & equipment	100,000
Continuing education	50,000
Possible future building acquisition	735,000
Unanticipated litigation costs	800,000
	<u>1,992,131</u>

Undesignated

<u>971,084</u>
<u>\$2,963,215</u>

NORTH CAROLINA BOARD OF PHYSICAL
THERAPY EXAMINERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE H SUBSEQUENT EVENTS

The Board has evaluated subsequent events through September 21, 2021, the date which the financial statements were available to be issued.

NOTE I NORTH CAROLINA LEGISLATIVE STATUTORY REQUIREMENT
CONCERNING AUDIT FEES

This audit required 61 hours at a cost of \$10,400.



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To The Board of Directors
North Carolina Board of Physical Therapy Examiners
Durham, North Carolina

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the North Carolina Board of Physical Therapy Examiners (Board) as of and for the year ended June 30, 2021 and the related notes to the financial statements and have issued our report thereon dated September 21, 2021.

The financial statements present only the North Carolina Board of Physical Therapy Examiners and do not support to and do not present fairly the financial position of the State of North Carolina, as of June 30, 2021, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material* weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

GARRETT, DODD & ASSOCIATES, LTD.

Garrett, Dodd & Associates, Ltd.

Durham, North Carolina
September 21, 2021