

**Cape Fear Center for Inquiry  
Board of Directors Agenda  
April 17, 2018- 6:00pm**

***Nurturing a Sense of Wonder.** Cape Fear Center for Inquiry is committed to promoting students' abilities to think and create in personally meaningful ways through an inquiry-based, integrated curriculum in a nurturing and empowering environment.*

**Roll Call** Ashley Cooksley, Lisa Sharpe, Kelly Rooney, Jennifer LaFleur, Todd Fischer, Lauren Lombardi, Stephen Hill, Beth Carter, Lisa Buchanan, Kristin Hudson, Cathi Mintz, Lori Roy

**Absent:** Lisa Buchannan, Cathi Mintz, Lauren Lombardi, Kelly Rooney

<b>Time</b>	<b>Subject</b>	<b>Chair/Presenter</b>	<b>Activity</b>
6:00pm	<i><b>Call to Order</b></i>	<b>Ashley Cooksley</b>	Kristin Hudson motioned to call the meeting to order. Todd Fischer seconded. Motion passed.
6:01	<i><b>Approval of Minutes: 3/20/18</b></i>	<b>Ashley Cooksley</b>	Kristin Hudson motioned to approve the minutes from March 20, 2018. Todd Fischer Seconded. Motion passed.
6:02	<i><b>Visiting Faculty*</b></i>	<b>TBD</b>	No speakers.
6:07	<i><b>Visiting Parent or Community Members*</b></i>	<b>TBD</b>	No speakers.
	<i><b>Committee Reports:</b></i>		
6:10	<i><b>Partnership</b></i> • Committee Report	<b>Stephen Hill</b>	Partnership met on April 16. May 10 is the Bird Fest from 4:30 – 7:00. Partnership will be cooking hotdogs. This is the same week as Teacher Appreciation Week. Surprises are coming to teachers! June 29 there will be a summer gathering at the Wilmington Sharks game.
6:20	<i><b>Life Long Learning</b></i> • Committee Report	<b>Lisa Sharpe/ Wes Rose/ Kim McCormick</b>	Kim McCormick shared that L3 is looking back on the Professional Development (PD) which was held in 2017-18, and planning for PD in the future. They are examining how funds have been used and projecting what is needed in the future. They will survey the faculty about needs for PD. They are focused on PD for whole-school Responsive Classroom. The team is focusing on exploring math programs and piloting some programs. They are also looking into writing and technology and how ChromeBooks (CB's) are used and more technology PD for teachers. Technology committee will be surveying teachers about CB's and their use this year. UTOTES training will be taking place next week. Sixteen teachers are participating. Also, L3 is looking at how to provide training in progress monitoring, and posting a curriculum map to provide a visual to show parents and our whole community what all is happening academically across K-8 at CFCL.

6:30	<p><b>Director's Report</b></p> <ul style="list-style-type: none"> <li>• Recommendation from teachers for teacher board member</li> <li>• Personnel Update and discussion-<i>retirement and resignation, possible closed session</i></li> </ul>	<p><b>Lori Roy</b></p> <p><b>Kelly Flowers/ Lori Roy</b></p>	<p>Kelly Flowers shared that the PCN recently discussed Hot Lunch possibilities provided by an online company. Parents can participate by going online. More information is being gathered and parents are being surveyed. Some classes will pilot this in the month of May. Some money would be donated to the school from each order. The PCN also surveyed parents about possibly providing after-school care onsite at CFCI next year. The YMCA and other after-school providers will be in dialogue with CFCI. 120 families are interested in after-school care at CFCI and hearing about options we might provide. Lindsey Seltzer has done some research on the group Watchdogs, which has to do with having more community presence and male presence on campus to increase school safety for students. Elaine Jack is looking into ways to present information about trash-free lunch and increasing recycling and reducing the number of plastic bottles thrown away. Kelly also shared that a parent came to her about concerns about the changes in the student community and behaviors in middle grades. PCN is looking into ways that CFCI could begin having parent meetings for rising 7<sup>th</sup> grade parents and rising 8<sup>th</sup> grade parents so they have a good idea as what to expect not only in the curriculum but behaviors and the way that Responsive Classroom sets behavioral expectations for students in middle grades. The next PCN meeting is going to be May 16 at 4:15.</p> <p>Lori reminded the board about the process for the faculty nominating teacher representatives. Shannon Shanks will be the new teacher representative on the board.</p> <p>Spirit Week is next week...get ready!</p> <p>Middle grades clubs are meeting and suggested that we introduce new Spirit ideas and also reformatted the Middle Grades Field Day.</p> <p>Personnel: Mr. Isaac has resigned. He has been an EC Teaching assistant, so that position is open. Ms. Rene is retiring at the end of this year, so this will bring a K-1 opening. Lori Benazzi is getting married and moving to Greensboro to take an EC job in a charter school. Mike Rheel is also resigning to pursue an opportunity in Real Estate. Carly Davis is also resigning as our School Psychologist to pursue her doctorate. We appreciate all the years of service that these teachers have given to CFCI, and they will all be missed!</p>
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			<p>Kristin Hudson moved to go into closed session. Todd Fischer seconded. Motion passed.</p> <p>Kristin Hudson moved to come out of closed session. Todd Fischer seconded. Motion passed.</p> <p>Lori stated that with Isaac resigning from his TA position, that she would like to recommend that we hire Hannah Jenkins to take his place for the remainder of the year, and that we make Policy 520 applicable to this TA position. This policy gives Lori the authority to hire Hannah for the remainder of the year.</p>
6:50	<p><b><i>Finance</i></b></p> <ul style="list-style-type: none"> <li>• Committee Report</li> <li>• Monthly Budgets/Dashboard</li> <li>• Audit Contract-action</li> <li>• Cleaning Contract-action</li> </ul>	<b>Kathy Coke</b>	<p>Kathy Coke presented information about our need to hire a CPA firm to do our annual audit. She is recommending that we hire the same company, Rives and Associates, to perform the audit.</p> <p>Kristin Hudson moved that we approve that we hire Rives and associates. Todd Fischer seconded. The motion passed.</p> <p>The proposed budget for next year includes an average 5% raise for teachers.</p> <p>Lori asked that the board think about different options to look at her position and possibly reconfigure our EC Coordinator's job in such a way that she would get more administrative support. She passed out 3 possible job descriptions for the Special Education Coordinator position. Todd mentioned that it might be better to create a new position that would be assistant director that would free Lori up as we anticipate what will happen with the school's possible growth as we gather information through our feasibility study. Lori would like to be making connections in the community and partnering with other schools, but she has little time. Kristin encouraged Lori to consider the creation of an assistant director's position.</p> <p>Ashley is suggesting that board members attend the April 25 faculty meeting to hear the faculty discussion about potential changes to Lori Benazzi's position. Lori will talk with the faculty tomorrow about this, and drafts of the three job descriptions will be sent out by e-mail to faculty after the meeting.</p>

7:00	<b><i>Technology Committee</i></b> <ul style="list-style-type: none"> <li>Committee Report</li> </ul>	<b>Cathi Mintz</b>	See handout in the Board packet.
7:15	<b><i>Policy and Procedure Review</i></b> <ul style="list-style-type: none"> <li>No Committee Report</li> </ul>	<b>Jennifer Solomon</b>	No report.
7:25	<b><i>Development Committee</i></b> <ul style="list-style-type: none"> <li>Committee Report</li> <li>Feasibility Study Update- <i>closed session</i></li> </ul>	<b>Todd Fischer/ Lori Roy/ Kathy Coke</b>	The committee is waiting for a report from the consultant and architectural firm. Sandy Eyles is getting some parents together to try to find and apply for grants that will benefit CFCI. She was given some guidelines to help frame their work. Lori suggested that Sandy meet with Kim to get some ideas as to what to search for. This committee will report to and get guidance from the Development Committee and Lori.
7:45	<b><i>Executive Committee</i></b> <ul style="list-style-type: none"> <li>Board Applications</li> </ul>	<b>Ashley Cooksley</b>	Two people have applied for community board seats. We have 4 spaces to fill, 2 parent slot and 2 parent/community seats to fill. We have 2 community applications now and no parent applications. We will vote at the May meeting.
7:45	<b><i>Other Announcements and/or Upcoming events:</i></b>	<b>Ashley Cooksley</b>	Next Executive committee meeting: May 8, 8:15 am.
7:47	<b><i>Closed Session for meeting critique (NC statute 143-318.11)</i></b>	<b>Ashley Cooksley</b>	
7:50	<b><i>Adjournment</i></b>	<b>Ashley Cooksley</b>	Kristin Hudson moved that we adjourn. Todd Fischer seconded. Motion passed.

**Board Agenda Requests:** If you would like to request that an item be added to the Board agenda, please e-mail the Board Secretary, Beth Carter at [bcarter@cfc.net](mailto:bcarter@cfc.net) with “CFCI Board Agenda” in the subject line, or place the request in his box in the main school office. The agenda request must include the subject, a brief synopsis of what you would like to present, the amount of time requested, any handouts you would like to distribute, and whether your request is informational, discussion, and/or requests board action.

**All requests and materials need to be submitted by noon on the first Friday of the month.** Items not received by this time will not be considered for the following month’s Board meeting. The Board Executive Committee reserves the right to determine whether the item is added to the agenda, to ask for additional information, or to redirect the request to an appropriate committee or person.

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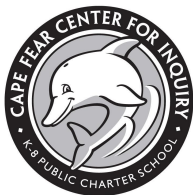
**Roll Call** Ashley Cooksley, Lisa Sharpe, Kelly Rooney, Jennifer LaFleur, Todd Fischer, Lauren Lombardi, Stephen Hill, Beth Carter, Lisa Buchanan, Kristin Hudson, Cathi Mintz, Lori Roy

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6:30	<b><i>Director's Report</i></b> • Recommendation from teachers for teacher board member • Personnel Update and discussion- <i>retirement and resignation, possible closed session</i>	<b>Lori Roy</b>  <b>Kelly Rooney/ Lori Roy</b>	Information/ Discussion/ Action
6:50	<b><i>Finance</i></b> • Committee Report • Monthly Budgets/Dashboard • Audit Contract- <i>action</i> • Cleaning Contract- <i>action</i>	<b>Kathy Rettig</b>	Information/ Discussion/Action
7:00	<b><i>Technology Committee</i></b> • Committee Report	<b>Cathi Mintz</b>	Information
7:15	<b><i>Policy and Procedure Review</i></b> • No Committee Report	<b>Jennifer Solomon</b>	Information
7:25	<b><i>Development Committee</i></b> • Committee Report • Feasibility Study Update- <i>closed</i>	<b>Todd Fischer/ Lori Roy/ Kathy Coke</b>	Information/Discussion/ Action

	<i>session</i>		
7:45	<b><i>Executive Committee</i></b> <ul style="list-style-type: none"> <li>Board Applications</li> </ul>	<b>Ashley Cooksley</b>	Information / Discussion
7:45	<b><i>Other Announcements and/or Upcoming events:</i></b> <ul style="list-style-type: none"> <li>Next Executive Committee Meeting: <b>TBD</b></li> <li>Next Board Meeting- May 15th</li> </ul>	<b>Ashley Cooksley</b>	Information
7:47	<b><i>Closed Session for meeting critique (NC statute 143-318.11)</i></b>	<b>Ashley Cooksley</b>	Discussion
7:50	<b><i>Adjournment</i></b>	<b>Ashley Cooksley</b>	Action

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# CFCI Meeting Agenda

1

## Lifelong Learning Committee

Date: 04.10.18

Present: Wes, Lisa C., Nancy, Seffie, Kristen, Joanne B, Kim P.

Visitors:

Next meeting: 5/8 at 3:30

## Topic: Review PD plan for 2018-19

### Discussion

L3 members were asked to go back to loop levels to have conversations regarding developing a Professional Development plan that supports teacher growth and development. The strategic plan for the 2018-19 year will be developed through loop level input and data focused on:

**CORE ELEMENTS** - go back to Core Elements - define our belief system

**LITERACY** - What does literature look like in the classroom (pacing, scope and sequence, common core) - GUIDED READING

**MATH** - looking at programs that will help develop common language and strategies. KIM WILL SHARE PROGRAMS WITH LOOP LEVELS IN MAY/JUNE - this requires time to discuss our belief system and develop a cohesive approach for math instruction and continued PD in math including development of pacing guides.

**INQUIRY** - deeper conversations and continued sharing - additional PD (guest speakers)

**RESPONSIVE CLASSROOM** -

Responsive Classroom at CFCI - 7/30, 7/31, 8/1, 8/2

MG -

**DATA** (including assessments) and MTSS

**GIFTEDNESS & DIFFERENTIATION** -

**TECHNOLOGY** - Google Classroom, Chromebooks and Apps

**OTHER** - suggestions for needs in PD as a school

Look at calendar with Loop Levels to discuss PD.

Think about the following times:

Curricular Conversations

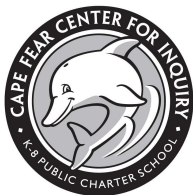
Faculty Meetings

Data Meetings

PD days

### **ACTION:**

**Committee discussion regarding # of days and PD offering including:**



## CFCI Meeting Agenda

2

### **Topic: L3 Retreat in June**

#### **Discussion**

What is our plan for 2018-19? How will it address individual need to improve practice and grow professionally, balancing needs with needs and issues of CFCI learning community. Finalize date for L3 retreat: June 6?

#### **Action or Request (if any)**



# CAPE FEAR CENTER FOR INQUIRY BUDGET REPORT - PROJECTED 2018 - 2019

ADM	408
EC	40

\$	5,124.71
\$	4,253.55

## REVENUE

### STATE REVENUE

Rev - Summer Reading Program  
Rev - Behavior Support - 029  
Rev - Charter Schools - 036

**TOTAL STATE REVENUE**

PROJECTED  
BUDGET

NOTES

\$14,735.00	
\$50,000.00	
\$2,261,023.68	
<b>\$2,325,758.68</b>	

### LOCAL REVENUE

Rev - Sales Tax	\$5,000.00	
Rev - Field Trip	\$50,000.00	
Rev - Contributions & Donations	\$1,500.00	
Rev - Interest Income - MM 1908	\$2,000.00	
Rev - Interest Income - SV 4483	\$1.00	
Rev - Interest Income - SV 4595	\$1.00	
Rev - Various	\$5,000.00	
Rev - Fund Balance Appropriate	\$0.00	
Rev - Brunswick County Schools	\$122,148.00	<b>\$2714.40/CHILD</b>
F & F - Brunswick County Schools	\$1,200.00	
Rev - Duplin County Schools	\$0.00	<b>\$952.43/CHILD</b>
F&F - Duplin County	\$0.00	
Rev - New Hanover County Schools	\$970,896.00	<b>\$2712/CHILD</b>
F & F - New Hanover County Schools	\$20,000.00	
Rev - Pender County Schools	\$7,517.40	
F & F - Pender County Schools	\$100.00	<b>\$1503.48/CHILD</b>
Rev - CFCL Partnership	\$2,000.00	
Rev - GE Grant	\$0.00	
Rev - Fundraising - 653	\$5,000.00	
Rev - Riptide Runners	\$4,000.00	
Rev - Capital Campaign - 660	\$30,000.00	
Rev - Fees/Supplies - 4609	\$2,000.00	
Rev - Tech Donations	\$18,460.00	
Rev - Technology Fees	\$0.00	

		PROJECTED BUDGET	NOTES
Rev - Social Dues		\$200.00	
TOTAL LOCAL REVENUE		\$1,247,023.40	
FEDERAL REVENUE			
Rev - IDEA VI-B Handicap - .060		\$52,000.00	
Rev - Improving Tchtr Qual - .103		\$17,091.00	Title I & II
Rev - IDEA VI-B Spec Needs - .118		\$900.00	
TOTAL FEDERAL REVENUE		\$69,991.00	
TOTAL REVENUE		\$3,642,773.08	
EXPENSES			
1. Salaries & Bonuses			
Salary - Teacher		\$1,340,863.55	
Salary - Teacher Assistant		\$102,816.90	
Salary - Substitute		\$25,000.00	
Salary - EC Teacher		\$250,283.25	
Salary - EC Assistant		\$26,961.75	
Salary - EC Substitute		\$2,500.00	
Salary - Guidance		\$39,237.45	
Salary - Psychologist		\$37,838.85	
Salary - Principal		\$84,950.25	
Salary - Asst Principal		\$0.00	
Salary - Office		\$45,072.40	
Salary - Business Manager		\$86,373.00	
Salary - Technology		\$51,521.40	
Salary - Bonus		\$0.00	
Total 1. Salaries & Bonuses		\$2,093,418.80	
2. Benefits			
Social Security Cost		\$160,146.54	7.65% (Includes ALL PRCs)
State Retirement Cost		\$358,602.64	17.13% (2017-2018 rate) (Includes ALL PRCs)
Hospitalization Cost		\$199,546.00	\$5,869 /ee (2017-2018 rate) (Includes ALL PRCs)
Unemployment Cost		\$9,900.00	.06% of first \$23,500/ee
Total 2. Benefits		\$728,195.18	
3. Books & Supplies			
Textbooks		\$0.00	
Riptide Runners		\$4,000.00	
Instructional Supplies		\$28,000.00	\$8000 for PRC016
EC Instructional Supplies		\$4,500.00	

	PROJECTED BUDGET	NOTES
Health Supplies	\$200.00	
Safety Supplies	\$2,500.00	
Supplies - GE Grant - 570	\$0.00	
Student Activity - Supplies	\$0.00	
Student Activity - Fundraising	\$0.00	
Office Supplies	\$6,000.00	
Board of Directors Supplies	\$500.00	
Postage	\$1,500.00	
Memberships	\$1,500.00	
Social Dues	\$200.00	
Sales Tax Expense	\$5,000.00	
<b>Total 3. Books &amp; Supplies</b>	<b>\$53,900.00</b>	
<b>4. Technology</b>		
Internet Services	\$0.00	
Software - Instructional	\$10,000.00	
Non-Cap Instr. Hardware/Computers	\$2,000.00	
Software - EC	\$0.00	
Software - Office	\$3,200.00	
Non-Cap Office Hardware/Computers	\$500.00	
Supplies and Materials	\$4,000.00	
Technology Computer Equipment	\$7,000.00	
<b>Total 4. Technology</b>	<b>\$26,700.00</b>	
		LING SOFTWARE SUPPORT=3180
<b>5. Equipment &amp; Leases</b>		
Non-Cap Equipment - Instructional	\$3,000.00	
Non-Cap Equipment - EC	\$1,500.00	
Reproduction Costs	\$6,000.00	
Non-Cap Equipment - Office	\$500.00	
<b>Total 5. Equipment &amp; Leases</b>	<b>\$11,000.00</b>	
		Furniture-instr
		Furniture-EC
		Copier leases
		Furniture-office
<b>6. Contracted Student Services</b>		
Instructional Services	\$900.00	
EC Services	\$10,000.00	
Psychological Services	\$0.00	
Speech Services	\$26,000.00	
Field Trips	\$52,000.00	
<b>Total 6. Contracted Student Services</b>	<b>\$88,900.00</b>	
<b>7. Staff Development</b>		
Workshop Expenses	\$10,000.00	

PROJECTED BUDGET		NOTES
Workshop Expenses - EC	\$7,000.00	
Tuition Fees	\$0.00	
Total 7. Staff Development	<b>\$17,000.00</b>	
8. Administrative Services		
Advertising	\$1,000.00	
Audit Services	\$9,000.00	
Bank Fees	\$1,000.00	
Financial Services	\$43,656.00	ANS FINANCIAL
General Administration	\$5,500.00	BAAS (GRANT BILLING-1%), MDA, Front Office Subs
Legal Services	\$2,000.00	
Power School Services	\$16,320.00	ANS POWERSCHOOL
Technology Support Services	\$0.00	
Human Resources	\$1,400.00	
Other Tax Payments	\$2,700.00	
Total 8. Administrative Services	<b>\$82,576.00</b>	
9. Insurances		
Workers Compensation	\$8,165.00	
General Liability	\$32,500.00	
Fidelity Bond	\$0.00	
Other Insurance & Judgments	\$3,657.00	
Total 9. Insurances	<b>\$44,322.00</b>	
10. Rents & Debt Service		
Debt Service - Principal	\$205,262.70	
Debt Service - Interest	\$98,637.67	
Building Rent	\$5,700.00	
Total 10. Rents & Debt Service	<b>\$309,600.37</b>	
11. Facilities		
Architect Fees	\$0.00	
Building Repairs & Maintenance	\$8,000.00	
Building Supplies & Materials	\$4,000.00	
Contracted Custodial Services	\$62,475.87	
Custodial Supplies & Materials	\$8,000.00	
General Contracts	\$0.00	
Improvements to Existing Sites	\$1,000.00	
Miscellaneous Contracts	\$0.00	
Security Monitoring	\$5,000.00	
Total 11. Facilities	<b>\$88,475.87</b>	

PROJECTED BUDGET		NOTES
12. Utilities		
Electricity	\$36,584.86	
Natural Gas	\$0.00	
Water & Sewer	\$5,000.00	
Waste Management	\$3,450.00	
Telephone	\$8,000.00	
Mobile Communications	\$0.00	
Total 12. Utilities	<u>\$53,034.86</u>	
13. Nutrition & Food		
Food Supplies & Materials	\$250.00	
Food Purchases	\$6,000.00	
Other Food - Office	\$750.00	
Total 13. Nutrition & Food	<u>\$7,000.00</u>	
14. Transportation & Travel		
Travel	\$150.00	
Total 14. Transportation & Travel	<u>\$150.00</u>	
15. Capitalized Expenses		
Capitalized Instr. Equipment	\$0.00	
Capitalized Instr. Hardware/Computers	\$12,000.00	Chromebooks
Capitalized Office Equipment	\$0.00	
Capitalized Office Hardware/Computers	\$1,500.00	
Total 15. Capitalized Expenses	<u>\$13,500.00</u>	
16. New Site Development		
General Contracts	\$0.00	
Miscellaneous Contracts	\$0.00	
Debt Services - Principal	\$0.00	
Debt Services - Interest	\$0.00	
Bond Issuance Cost	\$0.00	
Moving Expenses	\$0.00	
Bank Service Fees	\$25,000.00	
Total 16. New Site Development	<u>\$25,000.00</u>	Satisfy the debt service ratio
17. Capital Campaign - 660		
Capital Campaign Expenses - 660	\$0.00	
Total 17. Capital Campaign - 660	<u>\$0.00</u>	

	PROJECTED BUDGET	NOTES
TOTAL EXPENSES	\$3,642,773.08	
NET SURPLUS/(DEFICIT)	\$0.00	

## Development Meeting Meetings- Draft

April 10, 2018

Members Present: Lori Roy, Kathy Coke, Todd Fischer, Kelly Rooney, Sarah McCorcle

### Item 1: Next steps in communication with all stakeholders once we have possible scenarios

- Hear from architects
- Let community know what we are narrowed down to in regard to choices and inform of next steps
- Not sure of timeline to hear back from architects, but we anticipate sooner than later
- **Afterschool Program ideas for 2018-2019? ( Interested? If no, why not? What would you like to see from it? Sports? STEM Focus? Homework/Tutoring/ Educational Enrichment?)**
  - o Lori will send out survey to committee, then parents. **DONE- 100 families expressing interest as of 4.14.18; met with YMCA already, will set up meetings with other after school options**

### Item 2: Adhoc Grant Writing/Fundraising Committee (see email from Sandy Eyles below)

- What are our priorities?
- We don't want to use up a resource that could have been better utilized.
- Could the committee survey the school to help us get our priorities? - **Discussed this being in conjunction with Strategic Planning**

### Grant Writing/ Fundraising Committee:

The ~~parent~~ committee will comprise of **5-6 volunteers and a member of the Development committee** to provide support to achieve identified goals (immediate, short and long term) as determined by the Development Team, board, admin and teachers. The committee will develop an action plan that will include a grant writing initiative, fundraising campaign and community outreach opportunities. This plan will outline proposals on how to achieve each identified goal and the committee will be responsible for implementing this plan. The committee will communicate with our school community to inform parents of these goals and seek engagement on an as needed basis, such as recruiting grant writers and fundraising volunteers. The action plan will be reviewed **monthly** to assess effectiveness and will be adjusted as needed to adapt to the changing needs of our school.

\*\*\*We continue tapping in to our parent community, but need resources and connections outside of CFCI. It would be awesome if this committee could help with making some of those connections.

### Shared with Sandy for committee to move forward as the board continues to finalize this committee:

Look for grants that are:

- Technology-For example: maintaining our Chromebook Initiative, Computer Lab shifting to STEM Lab (Lori, Joanne, Kim M. and Paul will have some more details for you soon!, Interactive Boards (up to date versions)
- 4-8 Playground- small stage/platform, etc...."little stuff"----eventually, PVC pipes (talk to Sarah McCorcle, Brandt Hart, Mike Rheel....)---plan for completing the perimeter path
- Responsive Classroom Training for assistants, support specialists, substitutes, etc. (\$4,000)
- Flexible Seating (needs will vary/differ)

Date: 04/05/2018

Time: 1:46 pm

## CAPE FEAR CENTER FOR INQUIRY

## BUDGET REPORT (CONDENSED)

From 3/1/2018 to 3/31/2018

Page 1 of 2

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
<b>REVENUE</b>						
<b>STATE REVENUE</b>						
Rev - Summer Reading Program	\$17,823.75	\$0.00	\$3,088.75	\$14,735.00	82.67%	
Rev - Behavior Support - 029	\$50,000.00	\$7,941.74	\$35,378.24	\$14,621.76	29.24%	
Rev - Charter Schools - 036	\$2,332,853.00	\$268,032.34	\$1,964,346.46	\$368,506.54	15.80%	
Rev - Charter Schools - 046	\$3,623.00	\$0.00	\$3,622.42	\$0.58	0.02%	
<b>TOTAL STATE REVENUE</b>	<b>\$2,404,299.75</b>	<b>\$275,974.08</b>	<b>\$2,006,435.87</b>	<b>\$397,863.88</b>	<b>16.55%</b>	
<b>LOCAL REVENUE</b>						
Rev - Sales Tax	\$7,000.00	\$0.00	\$0.00	\$7,000.00	100.00%	
Rev - Field Trip	\$45,000.00	\$3,576.00	\$44,312.95	\$687.05	1.53%	
Rev - Contributions and Donati	\$1,500.00	\$0.00	\$1,094.38	\$405.62	27.04%	
Rev - Interest Income-MM-1908	\$2,000.00	\$0.00	\$1,766.65	\$233.35	11.67%	
Rev - Interest Income-SV-4483	\$1.00	\$0.00	\$0.13	\$0.87	87.00%	
Rev - Various	\$5,000.00	\$12.44	\$3,022.78	\$1,977.22	39.54%	
Rev - Undocumented	\$0.00	\$4,766.00	\$0.00	\$0.00	0.00%	
Rev - Brunswick County Schools	\$120,232.04	\$0.00	\$70,773.47	\$49,458.57	41.14%	
F & F - Brunswick County-4609	\$1,200.00	\$0.00	\$1,050.46	\$149.54	12.46%	
Rev - Duplin County Schools	\$959.04	\$0.00	\$952.43	\$6.61	0.69%	
Rev - New Hanover County	\$969,744.00	\$0.00	\$646,496.00	\$323,248.00	33.33%	
F & F - New Hanover County	\$19,000.00	\$0.00	\$16,205.00	\$2,795.00	14.71%	
Rev - Pender County Schools	\$7,757.45	\$0.00	\$3,858.35	\$3,899.10	50.26%	
F & F - Pender County Schools	\$200.00	\$0.00	\$46.30	\$153.70	76.85%	
REV - CFCI Partnership	\$8,800.00	\$0.00	\$8,822.40	\$(22.40)	-0.25%	
Rev - GE Grant	\$5,000.00	\$0.00	\$5,000.00	\$0.00	0.00%	
Rev - Fundraising - 653	\$5,000.00	\$0.00	\$3,987.77	\$1,012.23	20.24%	
Rev - Riptide Runners	\$4,000.00	\$2,605.00	\$2,825.00	\$1,175.00	29.38%	
Rev - Capital Campaign - 660	\$30,000.00	\$0.00	\$0.00	\$30,000.00	100.00%	
Rev - Fees / Supplies - 4609	\$1,861.25	\$0.00	\$1,861.25	\$0.00	0.00%	
Rev - Tech Donations	\$11,572.10	\$20.00	\$11,592.10	\$(20.00)	-0.17%	
Rev - Technology Fees	\$0.00	\$20.00	\$0.00	\$0.00	0.00%	
Rev - Social Dues	\$500.00	\$0.00	\$9.50	\$490.50	98.10%	
<b>TOTAL LOCAL REVENUE</b>	<b>\$1,246,326.88</b>	<b>\$10,999.44</b>	<b>\$823,676.92</b>	<b>\$422,649.96</b>	<b>33.91%</b>	
<b>FEDERAL REVENUE</b>						
Rev - IDEA VI-B Handicap - 060	\$52,528.60	\$3,602.53	\$32,337.21	\$20,191.39	38.44%	
Rev - IDEA VI-B Spec Needs-118	\$900.00	\$0.00	\$0.00	\$900.00	100.00%	
<b>TOTAL FEDERAL REVENUE</b>	<b>\$53,428.60</b>	<b>\$3,602.53</b>	<b>\$32,337.21</b>	<b>\$21,091.39</b>	<b>39.48%</b>	
<b>TOTAL REVENUE</b>	<b>\$3,704,055.23</b>	<b>\$290,576.05</b>	<b>\$2,862,450.00</b>	<b>\$841,605.23</b>	<b>22.72%</b>	



Date: 04/05/2018

Time: 1:46 pm

CAPE FEAR CENTER FOR INQUIRY

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BUDGET REPORT (CONDENSED)

From 3/1/2018 to 3/31/2018

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
<b>EXPENSES</b>						
1. Salaries & Bonuses	\$2,009,885.11	\$171,898.01	\$1,483,557.64	\$526,327.47	26.19%	
2. Benefits	\$709,166.42	\$53,413.95	\$471,558.92	\$237,607.50	33.51%	
3. Books & Supplies	\$87,001.14	\$(9,701.67)	\$64,135.99	\$22,865.15	26.28%	
4. Technology	\$49,600.00	\$1,045.52	\$20,856.24	\$28,743.76	57.95%	
5. Non-Cap Equipment & Leases	\$27,000.00	\$1,745.74	\$11,245.72	\$15,754.28	58.35%	
6. Contracted Student Services	\$83,900.00	\$7,405.00	\$58,386.96	\$25,513.04	30.41%	
7. Staff Development	\$24,995.76	\$1,729.62	\$12,074.75	\$12,921.01	51.69%	
8. Administrative Services	\$88,853.89	\$6,572.05	\$71,059.17	\$17,794.72	20.03%	
9. Insurances	\$44,322.00	\$0.00	\$22,165.00	\$22,157.00	49.99%	
10. Rents & Debt Service	\$309,600.37	\$25,800.03	\$232,200.27	\$77,400.10	25.00%	
11. Facilities	\$151,633.00	\$17,006.98	\$87,223.93	\$64,409.07	42.48%	
12. Utilities	\$58,450.00	\$9,920.12	\$38,168.05	\$20,281.95	34.70%	
13. Nutrition & Food	\$6,950.00	\$1,722.67	\$4,934.26	\$2,015.74	29.00%	
14. Capital Purchases	\$23,000.00	\$0.00	\$17,320.86	\$5,679.14	24.69%	
15. New Site Development	\$35,000.00	\$0.00	\$0.00	\$35,000.00	100.00%	
16. Capital Campaign - 660	\$10,000.00	\$0.00	\$8,741.93	\$1,258.07	12.58%	
17. Transportation and Travel	\$100.00	\$0.00	\$72.00	\$28.00	28.00%	
<b>TOTAL EXPENSES</b>	<b>\$3,719,457.69</b>	<b>\$288,558.02</b>	<b>\$2,603,701.69</b>	<b>\$1,115,756.00</b>	<b>30.00%</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$(15,402.46)</b>	<b>\$2,018.03</b>	<b>\$258,748.31</b>			

Date: 04/05/2018

Time: 1:49 pm

CAPE FEAR CENTER FOR INQUIRY

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BUDGET REPORT

From 3/1/2018 to 3/31/2018

REVENUE

STATE REVENUE

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
Rev - Summer Reading Program	\$17,823.75	\$0.00	\$3,088.75	\$14,735.00	82.67%	
Rev - Behavior Support - 029	\$50,000.00	\$7,941.74	\$35,378.24	\$14,621.76	29.24%	
Rev - Charter Schools - 036	\$2,332,853.00	\$268,032.34	\$1,964,346.46	\$368,506.54	15.80%	
Rev - Charter Schools - 046	\$3,623.00	\$0.00	\$3,622.42	\$0.58	0.02%	
<b>TOTAL STATE REVENUE</b>	<b>\$2,404,299.75</b>	<b>\$275,974.08</b>	<b>\$2,006,435.87</b>	<b>\$397,863.88</b>	<b>16.55%</b>	

LOCAL REVENUE

Rev - Sales Tax	\$7,000.00	\$0.00	\$0.00	\$7,000.00	100.00%	
Rev - Field Trip	\$45,000.00	\$3,576.00	\$44,312.95	\$687.05	1.53%	
Rev - Contributions and Donati	\$1,500.00	\$0.00	\$1,094.38	\$405.62	27.04%	
Rev - Interest Income-MM-1908	\$2,000.00	\$0.00	\$1,766.65	\$233.35	11.67%	
Rev - Interest Income-SV-4483	\$1.00	\$0.00	\$0.13	\$0.87	87.00%	
Rev - Various	\$5,000.00	\$12.44	\$3,022.78	\$1,977.22	39.54%	
Rev - Undocumented	\$0.00	\$4,766.00	\$0.00	\$0.00	0.00%	
Rev - Brunswick County Schools	\$120,232.04	\$0.00	\$70,773.47	\$49,458.57	41.14%	
F & F - Brunswick County-4609	\$1,200.00	\$0.00	\$1,050.46	\$149.54	12.46%	
Rev - Duplin County Schools	\$959.04	\$0.00	\$952.43	\$6.61	0.69%	
Rev - New Hanover County	\$969,744.00	\$0.00	\$646,496.00	\$323,248.00	33.33%	
F & F - New Hanover County	\$19,000.00	\$0.00	\$16,205.00	\$2,795.00	14.71%	
Rev - Pender County Schools	\$7,757.45	\$0.00	\$3,858.35	\$3,899.10	50.26%	
F & F - Pender County Schools	\$200.00	\$0.00	\$46.30	\$153.70	76.85%	
REV - CFCI Partnership	\$8,800.00	\$0.00	\$8,822.40	\$(22.40)	-0.25%	
Rev - GE Grant	\$5,000.00	\$0.00	\$5,000.00	\$0.00	0.00%	
Rev - Fundraising - 653	\$5,000.00	\$0.00	\$3,987.77	\$1,012.23	20.24%	
Rev - Riptide Runners	\$4,000.00	\$2,605.00	\$2,825.00	\$1,175.00	29.38%	
Rev - Capital Campaign - 660	\$30,000.00	\$0.00	\$0.00	\$30,000.00	100.00%	
Rev - Fees / Supplies - 4609	\$1,861.25	\$0.00	\$1,861.25	\$0.00	0.00%	
Rev - Tech Donations	\$11,572.10	\$20.00	\$11,592.10	\$(20.00)	-0.17%	
Rev - Technology Fees	\$0.00	\$20.00	\$0.00	\$0.00	0.00%	
Rev - Social Dues	\$500.00	\$0.00	\$9.50	\$490.50	98.10%	
<b>TOTAL LOCAL REVENUE</b>	<b>\$1,246,326.88</b>	<b>\$10,999.44</b>	<b>\$823,676.92</b>	<b>\$422,649.96</b>	<b>33.91%</b>	

FEDERAL REVENUE

Rev - IDEA VI-B Handicap - 060	\$52,528.60	\$3,602.53	\$32,337.21	\$20,191.39	38.44%	
Rev - IDEA VI-B Spec Needs-118	\$900.00	\$0.00	\$0.00	\$900.00	100.00%	
<b>TOTAL FEDERAL REVENUE</b>	<b>\$53,428.60</b>	<b>\$3,602.53</b>	<b>\$32,337.21</b>	<b>\$21,091.39</b>	<b>39.48%</b>	

TOTAL REVENUE

<b>\$3,704,055.23</b>	<b>\$290,576.05</b>	<b>\$2,862,450.00</b>	<b>\$841,605.23</b>	<b>22.72%</b>	
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Date: 04/05/2018

Time: 1:49 pm

## CAPE FEAR CENTER FOR INQUIRY

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## BUDGET REPORT

From 3/1/2018 to 3/31/2018

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
<b>EXPENSES</b>						
<b>1. Salaries &amp; Bonuses</b>						
Salary - Teacher	\$1,246,071.90	\$107,782.13	\$923,451.95	\$322,619.95	25.89%	
Salary - Teacher - 016	\$1,723.61	\$0.00	\$1,723.61	\$0.00	0.00%	
Salary - Teacher Assistant	\$84,976.10	\$11,600.69	\$72,496.91	\$12,479.19	14.69%	
Salary - Substitute	\$25,000.00	\$1,880.00	\$13,720.00	\$11,280.00	45.12%	
Salary - EC Teacher	\$138,466.52	\$13,059.76	\$109,440.17	\$29,026.35	20.96%	
Salary - EC Teacher - 060	\$48,795.73	\$3,357.00	\$30,096.00	\$18,699.73	38.32%	
Salary - EC Assistant	\$23,847.90	\$2,673.82	\$18,109.53	\$5,738.37	24.06%	
Salary - EC Substitute	\$2,500.00	\$240.00	\$2,280.00	\$220.00	8.80%	
Salary - Behavioral - 029	\$41,364.00	\$3,447.00	\$30,883.50	\$10,480.50	25.34%	
Salary - Guidance	\$37,983.75	\$3,114.09	\$27,927.31	\$10,056.44	26.48%	
Salary - Psychologist	\$34,731.00	\$3,003.09	\$25,942.16	\$8,788.84	25.31%	
Salary - Principal	\$82,236.00	\$6,742.09	\$60,678.81	\$21,557.19	26.21%	
Salary - Assistant Principal	\$62,700.75	\$0.00	\$33,860.88	\$28,839.87	46.00%	
Salary - Office	\$42,634.25	\$4,054.34	\$31,085.81	\$11,548.44	27.09%	
Salary - Business Manager	\$83,613.60	\$6,855.00	\$61,695.00	\$21,918.60	26.21%	
Salary - Technology	\$49,875.00	\$4,089.00	\$36,801.00	\$13,074.00	26.21%	
Salary - Bonus - 046	\$3,365.00	\$0.00	\$3,365.00	\$0.00	0.00%	
<b>Total 1. Salaries &amp; Bonuses</b>	<b>\$2,009,885.11</b>	<b>\$171,898.01</b>	<b>\$1,483,557.64</b>	<b>\$526,327.47</b>	<b>26.19%</b>	
<b>2. Benefits</b>						
Social Security Cost	\$152,666.21	\$10,865.08	\$105,119.55	\$47,546.66	31.14%	
Social Security Cost - 016	\$130.90	\$0.00	\$130.90	\$0.00	0.00%	
Social Security Cost - 029	\$3,164.35	\$1,541.06	\$1,541.06	\$1,623.29	51.30%	
Social Security Cost - 046	\$258.00	\$0.00	\$257.42	\$0.58	0.22%	
Social Security Cost - 060	\$3,732.87	\$245.53	\$2,241.21	\$1,491.66	39.96%	
State Retirement Cost	\$338,149.14	\$25,801.88	\$228,814.78	\$109,334.36	32.33%	
Hospitalization Cost	\$195,627.84	\$12,006.72	\$129,688.38	\$65,939.46	33.71%	
Hospitalization Cost - 016	\$65.46	\$0.00	\$65.46	\$0.00	0.00%	
Hospitalization Cost - 029	\$5,471.65	\$2,953.68	\$2,953.68	\$2,517.97	46.02%	
Unemployment Cost	\$9,900.00	\$0.00	\$706.93	\$9,193.07	92.86%	
Other Insurance Cost	\$0.00	\$0.00	\$39.55	\$(39.55)	0.00%	
<b>Total 2. Benefits</b>	<b>\$709,166.42</b>	<b>\$53,413.95</b>	<b>\$471,558.92</b>	<b>\$237,607.50</b>	<b>33.51%</b>	
<b>3. Books &amp; Supplies</b>						
Riptide Runners	\$4,000.00	\$0.00	\$0.00	\$4,000.00	100.00%	
Instructional Supplies	\$30,000.00	\$5,098.89	\$17,275.87	\$12,724.13	42.41%	
Instructional Supplies - 016	\$15,903.78	\$0.00	\$1,168.78	\$14,735.00	92.65%	
EC Instructional Supplies	\$5,100.00	\$1,264.91	\$3,634.63	\$1,465.37	28.73%	
Health Supplies	\$200.00	\$70.77	\$83.58	\$116.42	58.21%	
Safety Supplies	\$3,550.00	\$0.00	\$2,593.06	\$956.94	26.96%	
Office Supplies	\$8,000.00	\$430.81	\$2,976.36	\$5,023.64	62.80%	

Date: 04/05/2018  
Time: 1:49 pm

**CAPE FEAR CENTER FOR INQUIRY**  
**BUDGET REPORT**  
From 3/1/2018 to 3/31/2018

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	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
Board of Directors Supplies	\$500.00	\$0.00	\$0.00	\$500.00	100.00%	
Postage	\$2,500.00	\$100.00	\$300.67	\$2,199.33	87.97%	
Memberships	\$2,500.00	\$120.00	\$291.71	\$2,208.29	88.33%	
Social Dues	\$500.00	\$30.50	\$147.74	\$352.26	70.45%	
Sales Tax Expense	\$7,000.00	\$365.02	\$7,187.26	\$(187.26)	-2.68%	
Unidentified Purchases	\$0.00	\$(17,182.57)	\$27,128.97	\$(27,128.97)	0.00%	
Student Activity - Fundraising	\$1,347.36	\$0.00	\$1,347.36	\$0.00	0.00%	
EC Supplies - 118	\$900.00	\$0.00	\$0.00	\$900.00	100.00%	
Supplies - GE Grant - 570	\$5,000.00	\$0.00	\$0.00	\$5,000.00	100.00%	
<b>Total 3. Books &amp; Supplies</b>	<b>\$87,001.14</b>	<b>\$(9,701.67)</b>	<b>\$64,135.99</b>	<b>\$22,865.15</b>	<b>26.28%</b>	
<b>4. Technology</b>						
Instructional Software	\$15,500.00	\$0.00	\$3,380.57	\$12,119.43	78.19%	
Non-Capitalized Hardware	\$1,700.00	\$704.92	\$1,941.43	\$(241.43)	-14.20%	
Office Software	\$2,900.00	\$208.34	\$2,941.01	\$(41.01)	-1.41%	
Non-Capitalized Office Hardware	\$500.00	\$0.00	\$131.74	\$368.26	73.65%	
Supplies and Materials	\$16,000.00	\$132.26	\$132.26	\$15,867.74	99.17%	
Technology Computer Equipment	\$13,000.00	\$0.00	\$12,329.23	\$670.77	5.16%	
<b>Total 4. Technology</b>	<b>\$49,600.00</b>	<b>\$1,045.52</b>	<b>\$20,856.24</b>	<b>\$28,743.76</b>	<b>57.95%</b>	
<b>5. Non-Cap Equipment &amp; Leases</b>						
Instructional Equipment	\$10,000.00	\$1,204.28	\$3,735.15	\$6,264.85	62.65%	
EC Equipment	\$3,000.00	\$111.96	\$1,502.85	\$1,497.15	49.91%	
Reproduction Costs	\$12,000.00	\$429.50	\$6,007.72	\$5,992.28	49.94%	
Office Equipment	\$2,000.00	\$0.00	\$0.00	\$2,000.00	100.00%	
<b>Total 5. Non-Cap Equipment &amp; Leases</b>	<b>\$27,000.00</b>	<b>\$1,745.74</b>	<b>\$11,245.72</b>	<b>\$15,754.28</b>	<b>58.35%</b>	
<b>6. Contracted Student Services</b>						
Instructional Services	\$900.00	\$0.00	\$168.00	\$732.00	81.33%	
EC Services	\$10,000.00	\$1,368.75	\$9,570.00	\$430.00	4.30%	
Speech Services	\$26,000.00	\$4,143.75	\$22,702.55	\$3,297.45	12.68%	
Field Trips	\$47,000.00	\$1,892.50	\$25,946.41	\$21,053.59	44.79%	
<b>Total 6. Contracted Student Services</b>	<b>\$83,900.00</b>	<b>\$7,405.00</b>	<b>\$58,386.96</b>	<b>\$25,513.04</b>	<b>30.41%</b>	
<b>7. Staff Development</b>						
Workshop Expenses	\$18,995.76	\$1,242.94	\$5,813.78	\$13,181.98	69.39%	
EC Workshop Expenses	\$6,000.00	\$486.68	\$6,260.97	\$(260.97)	-4.35%	
<b>Total 7. Staff Development</b>	<b>\$24,995.76</b>	<b>\$1,729.62</b>	<b>\$12,074.75</b>	<b>\$12,921.01</b>	<b>51.69%</b>	
<b>8. Administrative Services</b>						
Advertising	\$2,000.00	\$0.00	\$680.00	\$1,320.00	66.00%	
Audit Services	\$9,000.00	\$0.00	\$8,849.00	\$151.00	1.68%	
Bank Fees	\$2,000.00	\$38.95	\$1,587.74	\$412.26	20.61%	

Date: 04/05/2018  
Time: 1:49 pm

**CAPE FEAR CENTER FOR INQUIRY**  
**BUDGET REPORT**  
From 3/1/2018 to 3/31/2018

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	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
<b>Financial Services</b>	\$43,656.00	\$3,607.43	\$32,619.72	\$11,036.28	25.28%	
<b>General Administration</b>	\$5,500.00	\$929.20	\$5,953.01	\$(453.01)	-8.24%	
<b>Legal Services</b>	\$6,329.00	\$425.00	\$5,629.00	\$700.00	11.06%	
<b>PowerSchool Services</b>	\$16,320.00	\$1,348.57	\$12,194.28	\$4,125.72	25.28%	
<b>Human Resources</b>	\$1,400.00	\$222.90	\$901.40	\$498.60	35.61%	
<b>Other Tax Payments</b>	\$2,648.89	\$0.00	\$2,645.02	\$3.87	0.15%	
<b>Total 8. Administrative Services</b>	<b>\$88,853.89</b>	<b>\$6,572.05</b>	<b>\$71,059.17</b>	<b>\$17,794.72</b>	<b>20.03%</b>	
<b>9. Insurances</b>						
<b>Workers Compensation</b>	\$8,165.00	\$0.00	\$5,348.00	\$2,817.00	34.50%	
<b>General Liability</b>	\$32,500.00	\$0.00	\$16,817.00	\$15,683.00	48.26%	
<b>Other Insurance &amp; Judgments</b>	\$3,657.00	\$0.00	\$0.00	\$3,657.00	100.00%	
<b>Total 9. Insurances</b>	<b>\$44,322.00</b>	<b>\$0.00</b>	<b>\$22,165.00</b>	<b>\$22,157.00</b>	<b>49.99%</b>	
<b>10. Rents &amp; Debt Service</b>						
<b>Debt Service - Principal</b>	\$205,262.70	\$17,858.79	\$153,540.02	\$51,722.68	25.20%	
<b>Debt Service - Interest</b>	\$98,637.67	\$7,466.24	\$74,385.25	\$24,252.42	24.59%	
<b>Building Rent</b>	\$5,700.00	\$475.00	\$4,275.00	\$1,425.00	25.00%	
<b>Total 10. Rents &amp; Debt Service</b>	<b>\$309,600.37</b>	<b>\$25,800.03</b>	<b>\$232,200.27</b>	<b>\$77,400.10</b>	<b>25.00%</b>	
<b>11. Facilities</b>						
<b>Building Repairs &amp; Maintenance</b>	\$16,500.00	\$5,818.00	\$15,566.50	\$933.50	5.66%	
<b>Building Supplies &amp; Materials</b>	\$10,000.00	\$80.55	\$1,531.06	\$8,468.94	84.69%	
<b>Contracted Custodial Services</b>	\$65,000.00	\$4,780.00	\$44,143.96	\$20,856.04	32.09%	
<b>Custodial Supplies &amp; Materials</b>	\$10,000.00	\$1,295.08	\$7,152.12	\$2,847.88	28.48%	
<b>General Contract</b>	\$1,000.00	\$0.00	\$0.00	\$1,000.00	100.00%	
<b>Improvement to Existing Site</b>	\$44,133.00	\$5,033.35	\$18,780.29	\$25,352.71	57.45%	
<b>Security Monitoring</b>	\$5,000.00	\$0.00	\$50.00	\$4,950.00	99.00%	
<b>Total 11. Facilities</b>	<b>\$151,633.00</b>	<b>\$17,006.98</b>	<b>\$87,223.93</b>	<b>\$64,409.07</b>	<b>42.48%</b>	
<b>12. Utilities</b>						
<b>Electricity</b>	\$38,000.00	\$8,839.64	\$25,821.56	\$12,178.44	32.05%	
<b>Water &amp; Sewer</b>	\$8,000.00	\$0.00	\$4,784.37	\$3,215.63	40.20%	
<b>Waste Management</b>	\$3,450.00	\$235.15	\$2,081.34	\$1,368.66	39.67%	
<b>Telephone</b>	\$9,000.00	\$845.33	\$5,480.78	\$3,519.22	39.10%	
<b>Total 12. Utilities</b>	<b>\$58,450.00</b>	<b>\$9,920.12</b>	<b>\$38,168.05</b>	<b>\$20,281.95</b>	<b>34.70%</b>	
<b>13. Nutrition &amp; Food</b>						
<b>Food Supplies &amp; Materials</b>	\$200.00	\$49.47	\$203.92	\$(3.92)	-1.96%	
<b>Food Purchases</b>	\$6,000.00	\$1,638.10	\$4,182.88	\$1,817.12	30.29%	
<b>Other Food - Office</b>	\$750.00	\$35.10	\$547.46	\$202.54	27.01%	
<b>Total 13. Nutrition &amp; Food</b>	<b>\$6,950.00</b>	<b>\$1,722.67</b>	<b>\$4,934.26</b>	<b>\$2,015.74</b>	<b>29.00%</b>	

Date: 04/05/2018  
Time: 1:49 pm

CAPE FEAR CENTER FOR INQUIRY  
BUDGET REPORT  
From 3/1/2018 to 3/31/2018

Page 5 of 5

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
<b>14. Capital Purchases</b>						
Cap Instructional Computers	\$18,000.00	\$0.00	\$17,320.86	\$679.14	3.77%	
Cap Office Computers	\$2,000.00	\$0.00	\$0.00	\$2,000.00	100.00%	
Cap Instructional Equipment	\$3,000.00	\$0.00	\$0.00	\$3,000.00	100.00%	
<b>Total 14. Capital Purchases</b>	<b>\$23,000.00</b>	<b>\$0.00</b>	<b>\$17,320.86</b>	<b>\$5,679.14</b>	<b>24.69%</b>	
<b>15. New Site Development</b>						
Bank Service Fee	\$35,000.00	\$0.00	\$0.00	\$35,000.00	100.00%	
<b>Total 15. New Site Development</b>	<b>\$35,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$35,000.00</b>	<b>100.00%</b>	
<b>16. Capital Campaign - 660</b>						
Capital Campaign Expenses - 660	\$10,000.00	\$0.00	\$8,741.93	\$1,258.07	12.58%	
<b>Total 16. Capital Campaign - 660</b>	<b>\$10,000.00</b>	<b>\$0.00</b>	<b>\$8,741.93</b>	<b>\$1,258.07</b>	<b>12.58%</b>	
<b>17. Transportation and Travel</b>						
Travel	\$100.00	\$0.00	\$72.00	\$28.00	28.00%	
<b>Total 17. Transportation and Travel</b>	<b>\$100.00</b>	<b>\$0.00</b>	<b>\$72.00</b>	<b>\$28.00</b>	<b>28.00%</b>	
<b>TOTAL EXPENSES</b>	<b>\$3,719,457.69</b>	<b>\$288,558.02</b>	<b>\$2,603,701.69</b>	<b>\$1,115,756.00</b>	<b>30.00%</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$(15,402.46)</b>	<b>\$2,018.03</b>	<b>\$258,748.31</b>			

March 21, 2018

To the Board of Directors  
Cape Fear Center for Inquiry  
Wilmington, North Carolina

We are pleased to confirm our understanding of the services we are to provide Cape Fear Center for Inquiry (the "School") for the year ended June 30, 2018. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the School as of and for the year ended June 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the School's 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. As part of our engagement, we will apply certain limited procedures to the School's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies the School's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Schedule of expenditures of federal and State awards
- 2) Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
- 3) Schedules of School Contributions and School's Proportionate Share of the Net Pension Liability

## Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of The School and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of The School's financial statements. Our report will be addressed to Board of Commissioners of the School. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of 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 on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the School is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

## Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.



Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of The School's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

#### **Other Services**

We will also assist in preparing the financial statements and related notes of the School in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

#### **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements,

(2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

## Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the School; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Rives & Associates, LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Rives & Associates, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Oversight Agency or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit approximately during May 2018 and to issue our reports no later than October 31, 2018. Jay E. Sharpe, CPA, CFE is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed **\$9,100.00 (\$7,900.00 for the Audits and \$1,200.00 for the 990 tax return)**. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. ***The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.***

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by these addressees. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by use in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any

consequential, incidental, direct, indirect, or special damages, such as loss of revenues, or anticipated profits, or disclosure or communication of confidential or proprietary information.

In the event we are required to respond to a court order or other legal process for the production of documents or/or testimony relative to information we obtained and/or prepared during the course of this engaging, you agree to compensate us at our hourly rates, as set forth above, for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

This engagement letter is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared, the terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

We appreciate the opportunity to be of service to the School and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

*Rives & Associates LLP*

**RESPONSE:**

This letter correctly sets forth the understanding of Cape Fear Center for Inquiry.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

No indebtedness of any kind incurred or created by the charter school shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the charter school shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions.

## CONTRACT TO AUDIT ACCOUNTS

Of CAPE FEAR CENTER FOR INQUIRY  
Primary Government Unit

N/A  
Discretely Presented Component Unit (DPCU) if applicable

On this 21ST day of MARCH, 2018,

Auditor: RIVES & ASSOCIATES, LLP Auditor Mailing Address: \_\_\_\_\_

4515 FALLS OF NEUSE ROAD, SUITE 450 RALEIGH, NC 27609 Hereinafter referred to as The Auditor

and BOARD OF DIRECTORS (Governing Board(s)) of CAPE FEAR CENTER FOR INQUIRY  
(Primary Government)

and N/A: hereinafter referred to as the Governmental Unit(s), agree as follows:  
(Discretely Presented Component Unit)

1. The Auditor shall audit all statements and disclosures required by accounting principles generally accepted in the United States of America (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning JULY 1, 2017, and ending JUNE 30, 2018. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with auditing standards generally accepted in the United States of America. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board). **County and Multi-County Health Departments:** The Office of State Auditor will require Auditors of these Governmental Units to perform agreed upon procedures (AUPs) on eligibility determination on certain programs. Both Auditor and Governmental Unit agree that Auditor shall complete and report on these AUPs on Eligibility Determination as required by Office of the State Auditor (OSA) and in accordance with the instructions and timeline provided by OSA.
3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's Auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the SLGFD staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract. **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the SLGFD within four months of fiscal year end. Audit report is due on: OCTOBER 31, 2018. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoices shall be sent via upload through the current portal address: <https://nctreasurerslsgfd.leapfile.net>. Subject line should read "Invoice – [Unit Name]". The PDF invoice marked 'approved' with approval date shall be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Government shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. **(Note: Fees listed on Fees page.)** This does not include fees for any Pre-Issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item #12).
10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall submit to the SLGFD either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to the SLGFD simultaneously with the



**Contract to Audit Accounts (cont.)** CAPE FEAR CENTER FOR INQUIRY

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

Governmental Unit's audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the fiscal year end.
12. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit shall not be billed for the pre-issuance review. The pre-issuance review shall be performed **prior** to the completed audit being submitted to the SLGFD. The pre-issuance review report shall accompany the audit report upon submission to the SLGFD.
13. The Auditor shall electronically submit the report of audit to the SLGFD as a text-based PDF file when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. **Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit report Reissuance form.** These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If the SLGFD determines that corrections need to be made to the Governmental Unit's financial statements, those corrections shall be provided within three days of notification unless another deadline is agreed to by the SLGFD.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, a turnaround document and a representation letter addressed to the OSA shall be submitted to the SLGFD.

The SLGFD's process for submitting contracts, audit reports and invoices is subject to change. Auditors shall use the submission process in effect at the time of submission. The most current instructions will be found on our website: <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.
15. If an approved contract needs to be amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload the amended contract is <https://nctreasurerslgfd.leapfile.net>. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

**Contract to Audit Accounts (cont.)** CAPE FEAR CENTER FOR INQUIRY

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

16. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit shall be attached to the contract, and by reference here becomes part of the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #23 of this contract. Engagement letters containing indemnification clauses shall not be accepted by the SLGFD.
17. Special provisions should be limited. Please list any special provisions in an attachment.
18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the parent government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.
19. The contract shall be executed, pre-audited, physically signed by all parties including Governmental Unit and the Auditor and then submitted in PDF format to the Secretary of the LGC. The current portal address to upload the contractual documents is <https://nctreasurerslgfd.leapfile.net>. Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of November 2017. These instructions are subject to change. Please check the NC Treasurer's web site at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx> for the most recent instructions.
20. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. **The audit should not be started before the contract is approved.**
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. **E-Verify.** Auditor **shall comply** with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor **shall require** such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.
23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification).

***SIGNATURE PAGES FOLLOW FEES PAGE***



Contract to Audit Accounts (cont.)

## CAPE FEAR CENTER FOR INQUIRY

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

### FEES – PRIMARY GOVERNMENT

AUDIT: \$ 6,700.00

WRITING FINANCIAL STATEMENTS: \$ 1,200.00

ALL OTHER NON-ATTEST SERVICES: \$ 0.00

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a “significant threat” requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ 5,925.00

\*\* NA if there is to be no interim billing

### FEES – DPCU (IF APPLICABLE)

AUDIT: \$ N/A

WRITING FINANCIAL STATEMENTS: \$ N/A

ALL OTHER NON-ATTEST SERVICES: \$ N/A

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a “significant threat” requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ N/A

\*\* NA if there is to be no interim billing

Contract to Audit Accounts (cont.) CAPE FEAR CENTER FOR INQUIRY  
Primary Government Unit  
N/A  
Discretely Presented Component Unit (DPCU) if applicable

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

**Audit Firm Signature:**

RIVES & ASSOCIATES, LLP

Name of Audit Firm

By JAY E. SHARPE, CPA, CFE

Authorized Audit firm representative name: Type or print

Jay E. Sharpe  
Signature of authorized audit firm representative

Date MARCH 21, 2018

jsharpe@rivescpa.com

Email Address of Audit Firm

**Governmental Unit Signatures:**

Name of Primary Government

By

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By

Chair of Audit Committee - Type or print name

\*\*

Signature of Audit Committee Chairperson

Date

\*\* If Governmental Unit has no audit committee, mark this section "N/A"

\*\*\*Please provide us the most current email addresses available as we use this information to update our contact database\*\*\*

**PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)**

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

By

**Primary Government Unit Finance Officer:**

Type or print name

Primary Government Finance Officer Signature

Date

(Pre-audit Certificate **must be dated.**)

Email Address of Finance Officer

Date Primary Government Governing Body  
Approved Audit Contract - G.S. 159-34(a)



March 21, 2018

To the Board of Directors  
Cape Fear Center for Inquiry  
Wilmington, North Carolina

We are engaged to audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Cape Fear Center for Inquiry (the "School") for the year ended June 30, 2018. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated March 21, 2018, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to management's discussion and analysis, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the budgetary schedule, as well as the accompanying Schedule of Expenditures of Federal and State Awards, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit.

However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit in approximately May 2018 and issue our report on approximately October 31, 2018.

This information is intended solely for the use of the Board of Directors and management of the School and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Rivers & Associates LLP*

Raleigh, North Carolina

Technology Committee did not meet in April

They are preparing for the following in May:

1. Chromebook collection protocols for:
  - testing in May - preparation to test
  - end of year collection after EOG's
2. Reflection on how the deployment and implementation of chromebooks went this year fr students, teachers and families. What have we learned? What worked well? and what needs improving?
3. Chromebook use rules posted - feedback
4. Review of acceptable use policy and device agreement
5. PD and support