

**Cape Fear Center for Inquiry
Board of Directors Minutes
November 15, 2016- 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 Lori Roy, Lisa Sharpe, Cathey Luna, Kelly Dodd, Todd Fischer, Beth Carter, Lisa Buchanan, Kristin Hudson, Cathi Mintz, Jackie Anderson, Angela Carson

Time	Subject	Chair/Presenter	Activity
6:01 PM	Call to Order	Cathey Luna	Action
6:01	Approval of Minutes: 10/18/16 Kristin Hudson approved, Beth Carter seconded	Cathey Luna	Action
6:02	Visiting Faculty* N/A	TBD	Information
6:02	Visiting Parent or Community Members* N/A	TBD	Information
6:02	Partnership <ul style="list-style-type: none"> Box tops has been successful Middle School dance was successful The book fair raised over \$9000.00 Winter festival is December 3rd Partnership would like to donate \$250 towards the Cyberbullying workshop in January. 	Angela Carson	Information
6:05	Director's Report <ul style="list-style-type: none"> Turkey Trot is Monday 11/21/16 Winter Festival is Saturday 12/3/16 Angel tree will "kick off" at winter festival Cyberbullying workshop – January 11, 2017 Robotics – Competition is this Saturday in Cary. 	Lori Roy	Information
6:13	L3 <ul style="list-style-type: none"> Finalizing curricular conversations for school year. Finalizing 2 parent volunteers for each classroom for the curricular PD Upcoming PD topics: Math and writing across the curriculum Number inquiry consortium coming up Finalizing plans for PD at SC School of Inquiry 	Jennifer Paetzold	Information/ Discussion/ Action
	Standing Committee Reports:		
6:15	Technology <ul style="list-style-type: none"> Both Google and Apple reps. Have visited and spoken with staff recently. We have also had an opportunity to receive 4 chrome books on loan to get a better feel for these products. Plan to 	Jennifer Paetzold	Information

	continue talking about which would be the best purchase for the school.		
6:17	Finance <ul style="list-style-type: none"> No committee report, Auditor will be coming in January 2017 	Kathy Rettig	Information / Discussion/ Action
6:20	Policy and Procedure Review <ul style="list-style-type: none"> No Committee Report this month Reviewed Return to Learn after Concussion and SBE policy, recommendations for information to include on the CFCI website. Beth Carter made a motion to approve the use of the Return to Learn implementation guide with the changes noted in the comments section of the draft and at the last board meeting and the email copy to board members. Todd Fischer seconded the motion, all in favor. 	Jennifer Solomon	Information/ Discussion/ Action
6:24	Development Committee (Formerly Fundraising & Strategic) <ul style="list-style-type: none"> Committee Report – looking at 5 year plan, where strategic plan needs to go, combining resources. 	Todd Fischer/ Lori Roy	Information
6:28	Executive <ul style="list-style-type: none"> December social date 12/13/16, 5:30-7:30 – still looking for a venue. Cathey Luna will email the location. 	Cathey Luna	
6:30	Other Announcements and/or Upcoming events: <ul style="list-style-type: none"> Next Executive Committee Meeting: December- agenda set virtually since short meeting on 12/3 Next Board Meeting- 12-3-16 at 11:00am in the CFCI Art Room- Winter Festival 	Cathey Luna	Information Action
6:33	Closed Session for meeting critique (NC statute 143-318.11)	Cathey Luna	Discussion
6:52	Open Session <ul style="list-style-type: none"> Blue Clay Road property - offer Todd Fischer made a motion to approve accepting the offer of \$286,000 for the property at 4908 Blue Clay Road, with \$5000.00 earnest, 90 days due diligence and a 30 day closing. Beth Carter seconded, all in favor. 	Cathey Luna	Action
6:54	Adjournment <ul style="list-style-type: none"> Todd made a motion to adjourn, Kristin seconded the motion, all in favor. 	Cathey Luna	Action

Board Agenda Requests: If you would like to request that an item be added to the Board agenda, please e-mail the Board Secretary, Ashley Cooksley at acooksley@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.

**Cape Fear Center for Inquiry
Board of Directors Agenda
November 15, 2016- 6:00pm**

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Roll Call Lori Roy, Lisa Sharpe, Cathey Luna, Kelly Dodd, Missy Ritchie, Todd Fischer, Lauren Lombardi, Ashley Cooksley, Beth Carter, Lisa Buchanan, Kristin Hudson, Cathi Mintz, Jackie Anderson, Angela Carson

Time	Subject	Chair/Presenter	Activity
6:00 PM	<i>Call to Order</i>	Cathey Luna	Action
6:01	<i>Approval of Minutes: 10/18/16</i>	Cathey Luna	Action
6:02	<i>Visiting Faculty*</i>	TBD	Information
6:07	<i>Visiting Parent or Community Members*</i>	TBD	Information
6:15	<i>Partnership</i> <ul style="list-style-type: none"> Committee Report 	Angela Carson	Information
6:20	<i>Director's Report</i> <ul style="list-style-type: none"> Turkey Trot!- 11/21 Winter Festival! – 12/3 Angel Tree Cyber-bullying workshop reminder 1/11 Robotics 	Lori Roy	Information/ Discussion/ Action
	<i>Standing Committee Reports:</i>		
6:30	<i>Life Long Learning</i> <ul style="list-style-type: none"> Committee Report 	Jennifer Paetzold	Information
6:40	<i>Technology Committee</i> <ul style="list-style-type: none"> Committee Report 	Jennifer Paetzold/ Todd Fischer	
6:50	<i>Finance</i> <ul style="list-style-type: none"> Budget Report/Dashboard Audit Update No Committee Report 	Kathy Rettig	Information
7:00	<i>Policy and Procedure Review</i> <ul style="list-style-type: none"> Return to Learn- 2nd Read and Vote 	Jennifer Solomon	Information/ Discussion/ Action
7:15	<i>Development Committee (Formerly Fundraising & Strategic)</i> <ul style="list-style-type: none"> Committee Report 	Todd Fischer/ Lori Roy	Information
7:25	<i>Executive Committee</i>	Cathey Luna	Information / Discussion/



CFCI Meeting Minutes

Lifelong Learning Committee

Date: 11.8.16

Present: Lisa Buchanan, Lisa Cole, Joanne Brinkley, Wes Rose, Rene Gouverneur, Sara McCorcle, Nancy Kachadurian, Jennifer Paetzold

Visitors: n/a

Next meeting: 12.13.16

Topic: Classroom Parent volunteers/Curriculum Conversations

Discussion

JP been working with JS with solidifying list of parent volunteers...finalizing/looking for additional parents. Teachers were given list of teachers who need additional parents.

Brad Walker...When? Topic? Members want faculty to generate list of idea for loop level CC topics

December and January Loop Level specific

February whole faculty

Faculty meeting shares after loop level specific meetings

Action or Request (if any)

Committee members will share with their team members who needs more parent names and get those names to JP ASAP

JP will contact BW about CC for Dec. Jan. and Feb and also discuss Jan. 27th PD date...Writing Conventions through inquiry/Content Area Writing

L3 members will lead discussion for CC topics at tomorrow's faculty meeting

Topic: PD Calendar...remainder of 2016-2017

Discussion:

November 18th...4-8 Math with Shelby Morge

January 27th...would like to see writing across the curriculum/writing conventions/writing in the content areas (applicable to all teachers no matter what you teach). Brad Walker?

March 31st...continue writing work with Brad or meaningful inquiry enrichment for above grade level learners

Thinking K-3 could use continued PD in the area of place value and fractions. Looking into options.



CFCI Meeting Minutes

3rd grade has asked to have PD with Rene regarding Number Talks.

Action or Request (if any)

JP will contact Brad regarding writing PD and will also do some research regarding someone who could roll out a strong enrichment PD.

RG will touch base with 3rd grade and set up day/time for Number Talks PD

Topic: Allocating PD Funds Equitably

Discussion:

Feels like a discussion that is bigger than L3. Members would like to take this to whole faculty. Committee will discuss further and bring a pointed conversation to the whole faculty.

Important to have K. Rettig input for the financial side of this conversation

Action or Request (if any)

JP will invite KR to our next meeting to continue this discussion

JP will put this item on 12.13.16 agenda for further discussion

Topic: Curriculum “Libraries”

Discussion:

How can we build upon our curriculum resources annually?

Can we add a curriculum resource line item to the budget (i.e. we have invested in OSMOS, we would like to add more student kits...where does that money come from?)

Action or Request (if any)

Continue conversation with finance

Topic: Fall and Spring Consortiums at CFI, Columbia SC

Discussion

December 1, 2016 9:00am to 3:00 pm 8 teachers total...who is attending?

As of today: Jennifer LaFleur, Lisa Cole

April 22, 2017 8:00am-12:30pm: CFI is not limited number of teachers for this one...interest in attending? WILL DISCUSS AT NEXT MEETING



CFCI Meeting Minutes

**Action or Request (if any)**

Members will get names to JP ASAP (no later than Friday)

Future Discussion Items:

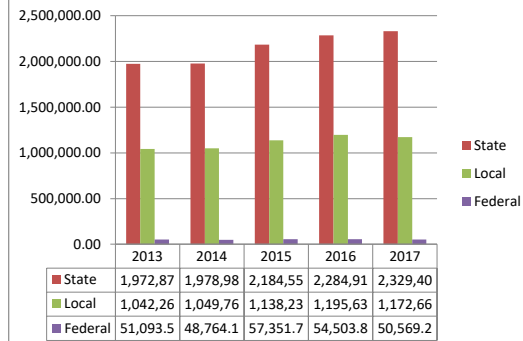
Expanding Pockets of Excellence- RG

Videotaping Lessons and sharing

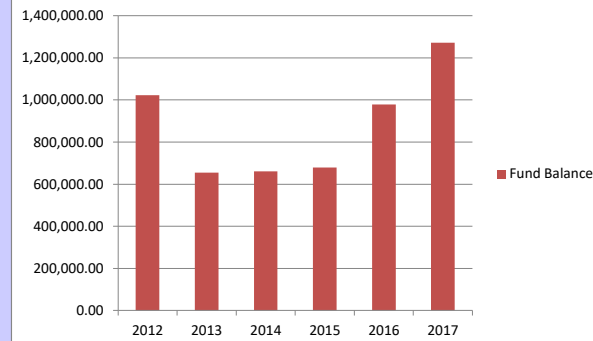
January meeting...Curriculum Conversations Calendar

CFCI FINANCIAL DASHBOARD

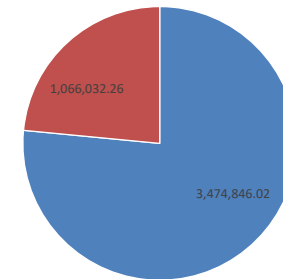
Revenue



Fund Balance



YTD Expense



As of October 31th we have completed 33% of the fiscal year and spent 30% of our budgeted funds.

**CAPE FEAR
SURPLUS & CASH
OCTOBER 31, 2016**

BOOK BALANCE AS OF 10/31/2016		
OP NEW 8818	\$	1,041,712.81
OP BBT 4609	\$	-
MM SECU 1908	\$	260,400.13
SV SECU 4483	\$	26.90
SV BBT 4595	\$	-
PETTY CASH	\$	420.00
TOTAL	\$	1,302,559.84

FY16 Fund Balance	1,271,474.82
LESS: Fund Balance Added to FY17 Budget	-
*TRUE REMAINING FUND BALANCE	\$ 1,271,474.82

FY17	
YEAR-TO-DATE NET SURPLUS/(DEFICIT)	\$77,794.76
*TRUE REMAINING FUND BALANCE	\$ 1,271,474.82
ANTICIPATED POSITION 06/30/17	\$1,349,269.58 **

** Anticipated position is based on the assumption that school's current budget is monitored/updated according to actual expenditures.

Date: 11/09/2016
Time: 3:14 pm

CAPE FEAR CENTER FOR INQUIRY
FEDERAL PROGRAMS
From 10/1/2016 to 10/31/2016

Page 1 of 1

		CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING
PRC - 060						
3-3600-060-000	Rev - IDEA VI-B Handicap - 060	\$50,000.00	\$0.00	\$0.00	\$50,000.00	100.00%
Total PRC - 060		\$(50,000.00)	\$0.00	\$0.00	\$(50,000.00)	100.00%
PRC - 118						
3-3600-118-000	Rev - IDEA VI-B Spec Needs-118	\$569.22	\$0.00	\$569.22	\$0.00	0.00%
3-5210-118-411	EC Supplies and Materials -118	\$569.22	\$0.00	\$569.22	\$0.00	0.00%
Total PRC - 118		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
TOTAL FEDERAL NET SURPLUS/(DEFICIT)		\$(50,000.00)	\$0.00	\$0.00	\$(50,000.00)	100.00%

Date: 11/09/2016

Time: 3:13 pm

CAPE FEAR CENTER FOR INQUIRY

BUDGET REPORT (CONDENSED)

From 10/1/2016 to 10/31/2016

Page 1 of 2

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
REVENUE						
STATE REVENUE						
Rev - Summer Reading Program	\$19,787.00	\$2,450.04	\$5,350.03	\$14,436.97	72.96%	
Rev - Behavior Support - 029	\$50,000.00	\$0.00	\$0.00	\$50,000.00	100.00%	
Rev - Charter Schools - 036	\$2,259,619.00	\$107,437.93	\$797,107.00	\$1,462,512.00	64.72%	
TOTAL STATE REVENUE	\$2,329,406.00	\$109,887.97	\$802,457.03	\$1,526,948.97	65.55%	
LOCAL REVENUE						
Rev - Sales Tax	\$5,000.00	\$0.00	\$0.00	\$5,000.00	100.00%	
Rev - Field Trip	\$35,000.00	\$13,598.00	\$18,241.00	\$16,759.00	47.88%	
Rev - Contributions and Donati	\$1,500.00	\$0.00	\$26.55	\$1,473.45	98.23%	
Rev - Interest Income-MM-1908	\$2,000.00	\$0.00	\$689.20	\$1,310.80	65.54%	
Rev - Interest Income-SV-4483	\$1.00	\$0.00	\$0.06	\$0.94	94.00%	
Rev - Interest Income-SV-4595	\$125.00	\$0.00	\$0.00	\$125.00	100.00%	
Rev - Various	\$5,000.00	\$0.00	\$0.00	\$5,000.00	100.00%	
Rev - ERATE	\$25,000.00	\$0.00	\$0.00	\$25,000.00	100.00%	
Rev - Brunswick County Schools	\$78,969.60	\$7,545.41	\$22,636.23	\$56,333.37	71.34%	
F & F - Brunswick County-4609	\$500.00	\$82.73	\$191.49	\$308.51	61.70%	
Rev - Duplin County Schools	\$966.00	\$0.00	\$0.00	\$966.00	100.00%	
Rev - New Hanover County	\$949,608.00	\$0.00	\$240,006.00	\$709,602.00	74.73%	
F & F - New Hanover County	\$15,000.00	\$6,843.00	\$6,843.00	\$8,157.00	54.38%	
Rev - Pender County Schools	\$17,364.96	\$0.00	\$0.00	\$17,364.96	100.00%	
F & F - Pender County Schools	\$300.00	\$0.00	\$0.00	\$300.00	100.00%	
Rev - Fundraising - 653	\$5,031.00	\$0.00	\$3,031.00	\$2,000.00	39.75%	
Rev - Riptide Runners	\$4,300.00	\$0.00	\$0.00	\$4,300.00	100.00%	
Rev - Capital Campaign - 660	\$25,000.00	\$12.00	\$64.00	\$24,936.00	99.74%	
Rev - Fees / Supplies - 4609	\$1,500.00	\$44.00	\$2,112.50	\$(612.50)	-40.83%	
Rev - Social Dues	\$500.00	\$0.00	\$250.00	\$250.00	50.00%	
TOTAL LOCAL REVENUE	\$1,172,665.56	\$28,125.14	\$294,091.03	\$878,574.53	74.92%	
FEDERAL REVENUE						
Rev - IDEA VI-B Handicap - 060	\$50,000.00	\$0.00	\$0.00	\$50,000.00	100.00%	
Rev - IDEA VI-B Spec Needs-118	\$569.22	\$0.00	\$569.22	\$0.00	0.00%	
TOTAL FEDERAL REVENUE	\$50,569.22	\$0.00	\$569.22	\$50,000.00	98.87%	
TOTAL REVENUE	\$3,552,640.78	\$138,013.11	\$1,097,117.28	\$2,455,523.50	69.12%	

Date: 11/09/2016

Time: 3:13 pm

CAPE FEAR CENTER FOR INQUIRY

BUDGET REPORT (CONDENSED)

From 10/1/2016 to 10/31/2016

Page 2 of 2

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
EXPENSES						
1. Salaries & Bonuses	\$1,868,459.48	\$166,399.86	\$598,827.28	\$1,269,632.20	67.95%	
2. Benefits	\$628,053.48	\$52,908.69	\$188,469.05	\$439,584.43	69.99%	
3. Books & Supplies	\$75,578.69	\$4,808.12	\$23,118.99	\$52,459.70	69.41%	
4. Technology	\$34,000.00	\$992.33	\$19,624.33	\$14,375.67	42.28%	
5. Non-Cap Equipment & Leases	\$22,000.00	\$436.10	\$13,508.46	\$8,491.54	38.60%	
6. Contracted Student Services	\$75,200.00	\$4,889.04	\$7,598.04	\$67,601.96	89.90%	
7. Staff Development	\$19,000.00	\$1,429.53	\$4,528.13	\$14,471.87	76.17%	
8. Administrative Services	\$84,876.00	\$11,393.34	\$32,960.72	\$51,915.28	61.17%	
9. Insurances	\$44,322.00	\$798.50	\$17,145.50	\$27,176.50	61.32%	
10. Rents & Debt Service	\$309,425.37	\$25,325.03	\$103,200.12	\$206,225.25	66.65%	
11. Facilities	\$146,831.00	\$8,061.42	\$32,633.34	\$114,197.66	77.77%	
12. Utilities	\$56,450.00	\$4,653.69	\$16,058.91	\$40,391.09	71.55%	
13. Nutrition & Food	\$8,650.00	\$876.49	\$1,240.25	\$7,409.75	85.66%	
14. Capital Purchases	\$32,000.00	\$0.00	\$0.00	\$32,000.00	100.00%	
15. New Site Development	\$50,000.00	\$0.00	\$0.00	\$50,000.00	100.00%	
16. Capital Campaign - 660	\$20,000.00	\$0.00	\$7,119.14	\$12,880.86	64.40%	
TOTAL EXPENSES	\$3,474,846.02	\$282,972.14	\$1,066,032.26	\$2,408,813.76	69.32%	
NET SURPLUS/(DEFICIT)	\$77,794.76	\$(144,959.03)	\$31,085.02			

Date: 11/09/2016

Time: 3:13 pm

CAPE FEAR CENTER FOR INQUIRY

Page 1 of 5

BUDGET REPORT

From 10/1/2016 to 10/31/2016

REVENUE

STATE REVENUE

Rev - Summer Reading Program	\$19,787.00	\$2,450.04	\$5,350.03	\$14,436.97	72.96%
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F & F - Pender County Schools	\$300.00	\$0.00	\$0.00	\$300.00	100.00%
Rev - Fundraising - 653	\$5,031.00	\$0.00	\$3,031.00	\$2,000.00	39.75%
Rev - Riptide Runners	\$4,300.00	\$0.00	\$0.00	\$4,300.00	100.00%
Rev - Capital Campaign - 660	\$25,000.00	\$12.00	\$64.00	\$24,936.00	99.74%
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Rev - Social Dues	\$500.00	\$0.00	\$250.00	\$250.00	50.00%
TOTAL LOCAL REVENUE	\$1,172,665.56	\$28,125.14	\$294,091.03	\$878,574.53	74.92%

FEDERAL REVENUE

Rev - IDEA VI-B Handicap - 060	\$50,000.00	\$0.00	\$0.00	\$50,000.00	100.00%
Rev - IDEA VI-B Spec Needs-118	\$569.22	\$0.00	\$569.22	\$0.00	0.00%
TOTAL FEDERAL REVENUE	\$50,569.22	\$0.00	\$569.22	\$50,000.00	98.87%

TOTAL REVENUE

\$3,552,640.78	\$138,013.11	\$1,097,117.28	\$2,455,523.50	69.12%
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Date: 11/09/2016

Time: 3:13 pm

CAPE FEAR CENTER FOR INQUIRY

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BUDGET REPORT

From 10/1/2016 to 10/31/2016

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
EXPENSES						
1. Salaries & Bonuses						
Salary - Teacher	\$1,135,703.00	\$93,019.45	\$352,674.60	\$783,028.40	68.95%	
Salary - Teacher - 016	\$1,666.49	\$0.00	\$1,666.49	\$0.00	0.00%	
Salary - Teacher Assistant	\$80,026.20	\$12,850.24	\$26,232.61	\$53,793.59	67.22%	
Salary - Additional Responsibility - 016	\$612.84	\$0.00	\$612.84	\$0.00	0.00%	
Salary - Substitute	\$40,000.00	\$2,000.00	\$3,480.00	\$36,520.00	91.30%	
Salary - EC Teacher	\$210,565.00	\$19,750.43	\$76,108.13	\$134,456.87	63.86%	
Salary - EC Assistant	\$12,181.95	\$1,624.03	\$3,062.81	\$9,119.14	74.86%	
Salary - EC Substitute	\$2,000.00	\$400.00	\$480.00	\$1,520.00	76.00%	
Salary - Behavioral - 029	\$36,225.00	\$0.00	\$0.00	\$36,225.00	100.00%	
Salary - Guidance	\$34,452.00	\$7,073.59	\$24,091.77	\$10,360.23	30.07%	
Salary - Psychologist	\$22,000.00	\$3,702.56	\$9,362.94	\$12,637.06	57.44%	
Salary - Principal	\$74,590.00	\$6,526.67	\$26,106.85	\$48,483.15	65.00%	
Salary - Assistant Principal	\$56,871.00	\$4,976.25	\$19,668.00	\$37,203.00	65.42%	
Salary - Office	\$42,498.00	\$4,088.97	\$13,729.88	\$28,768.12	67.69%	
Salary - Business Manager	\$75,840.00	\$6,636.00	\$26,544.01	\$49,295.99	65.00%	
Salary - Technology	\$43,228.00	\$3,751.67	\$15,006.35	\$28,221.65	65.29%	
Total 1. Salaries & Bonuses	\$1,868,459.48	\$166,399.86	\$598,827.28	\$1,269,632.20	67.95%	
2. Benefits						
Social Security Cost	\$139,991.60	\$2,011.29	\$34,240.41	\$105,751.19	75.54%	
Social Security Cost - 016	\$173.70	\$0.00	\$173.70	\$0.00	0.00%	
Social Security Cost - 029	\$2,771.18	\$0.00	\$0.00	\$2,771.18	100.00%	
State Retirement Cost	\$280,090.26	\$33,333.59	\$96,477.89	\$183,612.37	65.55%	
State Retirement Cost - 016	\$136.76	\$0.00	\$136.76	\$0.00	0.00%	
State Retirement Cost - 029	\$5,808.54	\$0.00	\$0.00	\$5,808.54	100.00%	
Hospitalization Cost	\$183,986.16	\$16,228.80	\$56,083.88	\$127,902.28	69.52%	
Hospitalization Cost - 016	\$0.00	\$0.00	\$21.40	\$(21.40)	0.00%	
Hospitalization Cost - 029	\$5,195.28	\$0.00	\$0.00	\$5,195.28	100.00%	
Unemployment Cost	\$9,900.00	\$1,335.01	\$1,335.01	\$8,564.99	86.52%	
Total 2. Benefits	\$628,053.48	\$52,908.69	\$188,469.05	\$439,584.43	69.99%	
3. Books & Supplies						
Riptide Runners	\$4,300.00	\$0.00	\$0.00	\$4,300.00	100.00%	
Instructional Supplies	\$27,112.26	\$1,314.47	\$12,043.94	\$15,068.32	55.58%	
Instructional Supplies - 016	\$12,197.21	\$2,450.04	\$2,738.84	\$9,458.37	77.55%	
EC Instructional Supplies	\$10,000.00	\$95.37	\$343.25	\$9,656.75	96.57%	
Health Supplies	\$200.00	\$0.00	\$15.92	\$184.08	92.04%	
Safety Supplies	\$1,200.00	\$0.00	\$546.90	\$653.10	54.43%	
Student Activity Supplies	\$1,500.00	\$0.00	\$1,500.00	\$0.00	0.00%	
Office Supplies	\$8,000.00	\$439.55	\$1,391.67	\$6,608.33	82.60%	
Board of Directors Supplies	\$200.00	\$0.00	\$0.00	\$200.00	100.00%	

Date: 11/09/2016

Time: 3:13 pm

CAPE FEAR CENTER FOR INQUIRY

Page 3 of 5

BUDGET REPORT

From 10/1/2016 to 10/31/2016

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
Postage	\$2,300.00	\$93.50	\$208.50	\$2,091.50	90.93%	
Memberships	\$2,500.00	\$0.00	\$0.00	\$2,500.00	100.00%	
Social Dues	\$500.00	\$0.00	\$7.49	\$492.51	98.50%	
Sales Tax Expense	\$5,000.00	\$325.37	\$3,663.44	\$1,336.56	26.73%	
EC Supplies - 118	\$569.22	\$0.00	\$569.22	\$0.00	0.00%	
Garden Grant - 555	\$0.00	\$89.82	\$89.82	\$(89.82)	0.00%	
Total 3. Books & Supplies	\$75,578.69	\$4,808.12	\$23,118.99	\$52,459.70	69.41%	
4. Technology						
Instructional Software	\$15,500.00	\$0.00	\$1,675.44	\$13,824.56	89.19%	
EC Software	\$2,000.00	\$0.00	\$0.00	\$2,000.00	100.00%	
Non-Capitalized Hardware	\$2,000.00	\$0.00	\$0.00	\$2,000.00	100.00%	
Office Software	\$2,500.00	\$208.33	\$833.32	\$1,666.68	66.67%	
Non-Capitalized Office Hardware	\$1,000.00	\$0.00	\$0.00	\$1,000.00	100.00%	
Supplies and Materials	\$3,000.00	\$0.00	\$14,970.37	\$(11,970.37)	-399.01%	
Technology Computer Equipment	\$8,000.00	\$784.00	\$2,145.20	\$5,854.80	73.19%	
Total 4. Technology	\$34,000.00	\$992.33	\$19,624.33	\$14,375.67	42.28%	
5. Non-Cap Equipment & Leases						
Instructional Equipment	\$5,645.02	\$0.00	\$5,783.15	\$(138.13)	-2.45%	
EC Equipment	\$3,000.00	\$0.00	\$0.00	\$3,000.00	100.00%	
Reproduction Costs	\$12,000.00	\$436.10	\$6,370.33	\$5,629.67	46.91%	
Office Equipment	\$1,354.98	\$0.00	\$1,354.98	\$0.00	0.00%	
Total 5. Non-Cap Equipment & Leases	\$22,000.00	\$436.10	\$13,508.46	\$8,491.54	38.60%	
6. Contracted Student Services						
Instructional Services	\$200.00	\$815.76	\$815.76	\$(615.76)	-307.88%	
EC Services	\$15,000.00	\$0.00	\$0.00	\$15,000.00	100.00%	
Speech Services	\$23,000.00	\$4,770.50	\$4,770.50	\$18,229.50	79.26%	
Field Trips	\$37,000.00	\$(697.22)	\$2,011.78	\$34,988.22	94.56%	
Total 6. Contracted Student Services	\$75,200.00	\$4,889.04	\$7,598.04	\$67,601.96	89.90%	
7. Staff Development						
Workshop Expenses	\$16,000.00	\$809.46	\$2,882.86	\$13,117.14	81.98%	
EC Workshop Expenses	\$3,000.00	\$620.07	\$1,645.27	\$1,354.73	45.16%	
Total 7. Staff Development	\$19,000.00	\$1,429.53	\$4,528.13	\$14,471.87	76.17%	
8. Administrative Services						
Advertising	\$2,000.00	\$0.00	\$0.00	\$2,000.00	100.00%	
Audit Services	\$8,500.00	\$5,569.00	\$5,569.00	\$2,931.00	34.48%	
Bank Fees	\$3,000.00	\$0.00	\$155.35	\$2,844.65	94.82%	
Financial Services	\$43,656.00	\$3,638.00	\$14,552.00	\$29,104.00	66.67%	
General Administration	\$4,000.00	\$133.00	\$398.00	\$3,602.00	90.05%	

Date: 11/09/2016

Time: 3:13 pm

CAPE FEAR CENTER FOR INQUIRY

Page 4 of 5

BUDGET REPORT

From 10/1/2016 to 10/31/2016

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
Legal Services	\$3,000.00	\$0.00	\$0.00	\$3,000.00	100.00%	
PowerSchool Services	\$16,320.00	\$1,360.00	\$5,440.00	\$10,880.00	66.67%	
Technology Support Services	\$500.00	\$0.00	\$3,991.98	\$(3,491.98)	-698.40%	
Human Resources	\$1,400.00	\$19.50	\$205.50	\$1,194.50	85.32%	
Other Tax Payments	\$2,500.00	\$673.84	\$2,648.89	\$(148.89)	-5.96%	
Total 8. Administrative Services	\$84,876.00	\$11,393.34	\$32,960.72	\$51,915.28	61.17%	
9. Insurances						
Workers Compensation	\$8,165.00	\$798.50	\$2,395.50	\$5,769.50	70.66%	
General Liability	\$32,500.00	\$0.00	\$14,750.00	\$17,750.00	54.62%	
Other Insurance & Judgments	\$3,657.00	\$0.00	\$0.00	\$3,657.00	100.00%	
Total 9. Insurances	\$44,322.00	\$798.50	\$17,145.50	\$27,176.50	61.32%	
10. Rents & Debt Service						
Debt Service - Principal	\$205,262.70	\$16,599.25	\$65,562.79	\$139,699.91	68.06%	
Debt Service - Interest	\$98,637.67	\$8,725.78	\$35,737.33	\$62,900.34	63.77%	
Building Rent	\$5,525.00	\$0.00	\$1,900.00	\$3,625.00	65.61%	
Total 10. Rents & Debt Service	\$309,425.37	\$25,325.03	\$103,200.12	\$206,225.25	66.65%	
11. Facilities						
Building Repairs & Maintenance	\$43,031.00	\$1,785.00	\$6,804.41	\$36,226.59	84.19%	
Building Supplies & Materials	\$15,000.00	\$34.13	\$1,051.35	\$13,948.65	92.99%	
Contracted Custodial Services	\$70,000.00	\$4,780.00	\$20,653.29	\$49,346.71	70.50%	
Custodial Supplies & Materials	\$12,000.00	\$1,462.29	\$2,788.79	\$9,211.21	76.76%	
General Contract	\$1,000.00	\$0.00	\$0.00	\$1,000.00	100.00%	
Security Monitoring	\$5,800.00	\$0.00	\$1,335.50	\$4,464.50	76.97%	
Total 11. Facilities	\$146,831.00	\$8,061.42	\$32,633.34	\$114,197.66	77.77%	
12. Utilities						
Electricity	\$38,000.00	\$3,097.32	\$11,283.01	\$26,716.99	70.31%	
Water & Sewer	\$7,000.00	\$1,351.53	\$1,795.33	\$5,204.67	74.35%	
Waste Management	\$2,450.00	\$204.84	\$817.57	\$1,632.43	66.63%	
Telephone	\$9,000.00	\$0.00	\$2,163.00	\$6,837.00	75.97%	
Total 12. Utilities	\$56,450.00	\$4,653.69	\$16,058.91	\$40,391.09	71.55%	
13. Nutrition & Food						
Food Supplies & Materials	\$150.00	\$0.00	\$0.00	\$150.00	100.00%	
Food Purchases	\$8,000.00	\$866.54	\$1,042.93	\$6,957.07	86.96%	
Other Food - Office	\$500.00	\$9.95	\$197.32	\$302.68	60.54%	
Total 13. Nutrition & Food	\$8,650.00	\$876.49	\$1,240.25	\$7,409.75	85.66%	
14. Capital Purchases						
Cap Instructional Computers	\$15,000.00	\$0.00	\$0.00	\$15,000.00	100.00%	

Date: 11/09/2016

Time: 3:13 pm

CAPE FEAR CENTER FOR INQUIRY

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BUDGET REPORT

From 10/1/2016 to 10/31/2016

	CURRENT BUDGET	MTD ACTIVITY	YTD ACTIVITY	BUDGET BALANCE	PERCENT REMAINING	NOTES
Cap Office Computers	\$2,000.00	\$0.00	\$0.00	\$2,000.00	100.00%	
Cap Instructional Equipment	\$15,000.00	\$0.00	\$0.00	\$15,000.00	100.00%	
Total 14. Capital Purchases	\$32,000.00	\$0.00	\$0.00	\$32,000.00	100.00%	
15. New Site Development						
Bank Service Fee	\$50,000.00	\$0.00	\$0.00	\$50,000.00	100.00%	
Total 15. New Site Development	\$50,000.00	\$0.00	\$0.00	\$50,000.00	100.00%	
16. Capital Campaign - 660						
Capital Campaign Expenses - 660	\$20,000.00	\$0.00	\$7,119.14	\$12,880.86	64.40%	
Total 16. Capital Campaign - 660	\$20,000.00	\$0.00	\$7,119.14	\$12,880.86	64.40%	
TOTAL EXPENSES	\$3,474,846.02	\$282,972.14	\$1,066,032.26	\$2,408,813.76	69.32%	
NET SURPLUS/(DEFICIT)	\$77,794.76	\$(144,959.03)	\$31,085.02			



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October 22, 2016

Board of Directors and Management of
Cape Fear Center for Inquiry
Wilmington, North Carolina

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cape Fear Center for Inquiry for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 1, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Cape Fear Center for Inquiry are described in Note I to the financial statements. The School did not implement any new standards during the year ended June 30, 2016. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

The most sensitive estimates affecting the School's financial statements were:

Management's estimate of depreciation is based on an analysis of estimated useful lives of individual assets. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

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Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 22, 2016.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

This information is intended solely for the use of management and board members of Cape Fear Center for Inquiry and is not intended to be and should not be used by anyone other than these specified parties.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of management and the board of directors of Cape Fear Center for Inquiry and is not intended to be, and should not be, used by anyone other than these specified parties

Very truly yours,

Rives & Associates LLP

Raleigh, North Carolina

Return to Learn Cover Sheet

If policy is Board approved on 11/15/16, the following actions will take place:

1. Send request to parents asking if their child has had a concussion within the past year (same info. that will be on the enrollment form).
2. Add the following to our website: the implementation guide, the graduated return to school protocol, and a link to the cdc information for parents (NHCS has the general link to the CDC site - #1 below we can do that or we can link to #2 below specific for parents).
3. Add the following training info. to PPRC google docs. Training videos, implementation guide, graduated return to learn school protocol, cdc teacher information sheets - either link or sheets themselves.

=====

1. [http://www.cdc.gov/headsup/
general](http://www.cdc.gov/headsup/general)

2. <http://www.cdc.gov/headsup/parents/index.html>
parents

<http://www.cdc.gov/headsup/schools/teachers.html>
teachers/schools

Training Videos:

https://www.youtube.com/watch?v=_55YmbIG9YM

<https://www.youtube.com/watch?v=zCCD52Pty4A>

Attached:

- * RTL color coded graduated protocol
- * Implementation Guide

**CAPE FEAR CENTER FOR INQUIRY
WILMINGTON, NORTH CAROLINA**

Financial Statements and
Supplementary Information

Year Ended June 30, 2016

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA

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June 30, 2016

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FINANCIAL SECTION

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cape Fear Center for Inquiry, North Carolina, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Cape Fear Center for Inquiry's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Cape Fear Center for Inquiry, North Carolina as of June 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 and the schedule of proportionate share of the net pension liability and the schedule of school contributions on pages 40 and 41, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cape Fear Center for Inquiry, North Carolina's basic financial statements. The budgetary schedules and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by the Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The budgetary schedule, other schedules, as well as the accompanying Schedule of Expenditures of Federal and State awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedule, other schedules, and the accompanying Schedule of Expenditures of Federal and State awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our reports dated October 22, 2016 on our consideration of Cape Fear Center for Inquiry's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose these reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cape Fear Center for Inquiry's internal control over financial reporting and compliance.

Rives & Associates LLP

Raleigh, North Carolina

October 22, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

Cape Fear Center for Inquiry

June 30, 2016

As management of Cape Fear Center for Inquiry, we offer readers of Cape Fear Center for Inquiry's audited financial statements this narrative overview and analysis of the financial activities of Cape Fear Center for Inquiry for the fiscal year ended June 30, 2016. We encourage readers to read the information presented herein in conjunction with additional information that we have furnished in the School's financial statements, which follow this narrative.

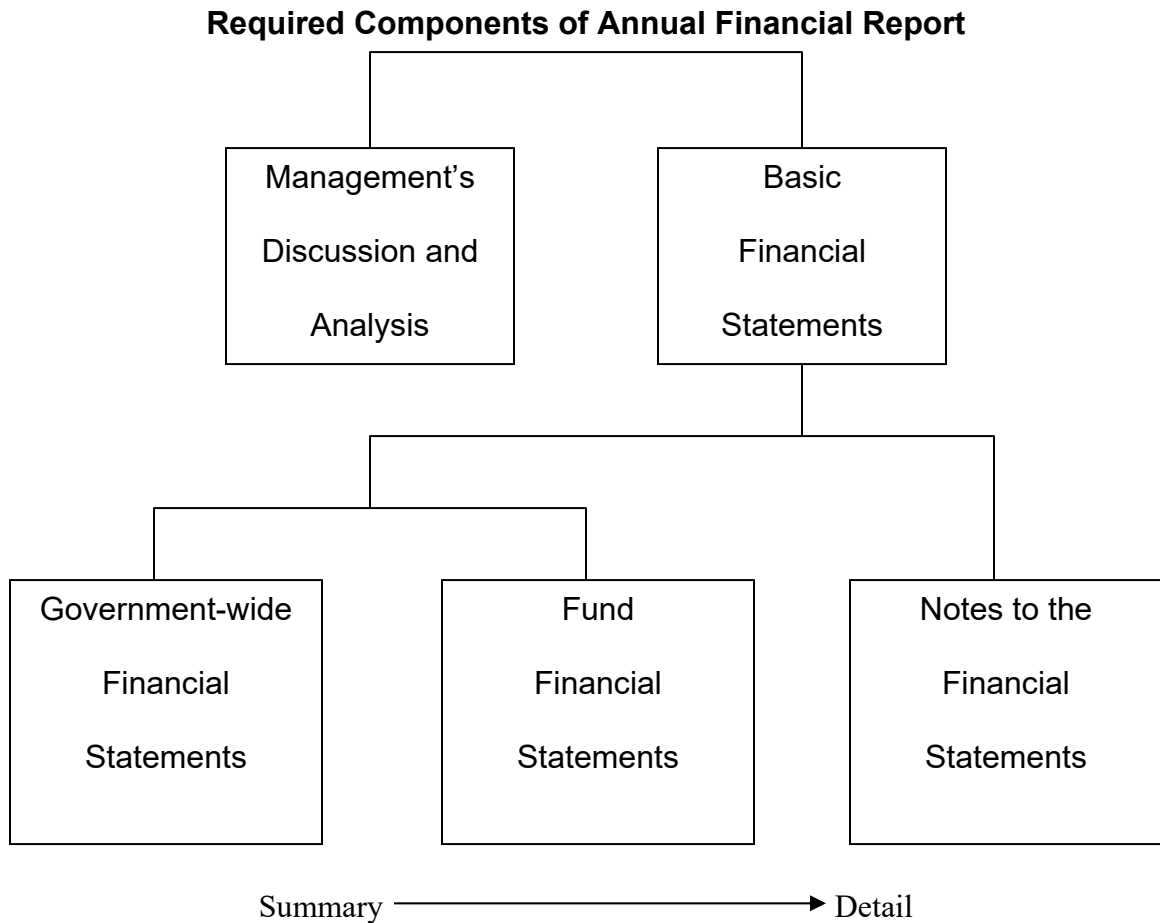
Financial Highlights

- The assets of Cape Fear Center for Inquiry exceeded its liabilities and deferred inflows at the close of the fiscal year by \$2,491,333(*net position*).
- The school's total net position increased by \$407,382 before restatement.
- As of the close of the current fiscal year, Cape Fear Center for Inquiry's governmental funds reported combined ending fund balances of \$1,271,474, an increase of \$292,545, in comparison with the prior year.
- Enrollment continues to be consistent at the School. The 2015-2016 ADM is 405, 2014-2015 ADM was 409, 2013-2014 ADM was 372, the 2012-2013 ADM was 376, the 2011-2012 ADM was 397, 2010-2011 ADM was 367, and 2009-2010 ADM was 370.
- Cape Fear Center for Inquiry's long-term debt consists of compensated absences and a loan. Total debt decreased by \$183,317.18 during the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Cape Fear Center for Inquiry's basic financial statements. The School's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two distinct financial perspectives of the School through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Cape Fear Center for Inquiry.

Figure 1



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the School's financial standing.

The next statements (Exhibits 3 through 5) are **Fund Financial Statements**. These statements focus on the activities of the individual segments of the School's government. These statements are more detailed than the government-wide financial statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the proprietary fund statements.

Immediately following the fund financial statements are the **Notes to the Financial Statements** (i.e. "Notes"). The Notes offer a detailed explanation of the data contained in those statements. Next, **supplemental information** is provided to show details about the School's funds. Budgetary information for the School can also be found in this section of the statements.

Management's Discussion and Analysis
Cape Fear Center for Inquiry
June 30, 2016

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the School's finances, similar in format to the financial statements of a private-sector business. The government-wide statements provide short and long-term information about the School's financial status, as a whole.

The two government-wide statements report the School's net position and how they have changed. Net position equals the difference between the School's total assets and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the School's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the School's basic functions such as instructional services and business services. These functions are funded almost entirely through state, county, and federal educational funds. The business-type activities are those services that the School charges its students and other customers. Cape Fear Center for Inquiry has no business-type activities.

The government-wide financial statements are enumerated in Exhibits 1 and 2 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the School's most significant activities. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Cape Fear Center for Inquiry, like all other governmental entities in North Carolina, used fund accounting to ensure and reflect compliance (or non-compliance) with finance-related statutory requirements, such as the North Carolina General Statutes or the School's budget ordinance, where and when applicable. All of the funds of Cape Fear Center for Inquiry can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for functions reported as governmental activities in the government-wide financial statements. Most of the School's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and monies remaining at year-end that will be available for spending in the next fiscal year. Governmental funds are reported using the modified accrual accounting method, which provides a short-term spending focus. The governmental fund financial statements assist the reader in determining whether there has been an increase or a decrease in the financial resources available to finance the School's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is an integral part of the fund financial statements.

Management's Discussion and Analysis
Cape Fear Center for Inquiry
June 30, 2016

Although not compelled or required to do so by federal, state, or local law, Cape Fear Center for Inquiry has elected to adopt an annual budget. Since the budget is not required by law, the budgetary comparison statements are not included in the basic financial statements, but are part of the supplemental statements and schedules following the notes. The budget incorporates input from the faculty, management, and the Board of Directors of the School and specifies which activities will be pursued and which services the School will provide during the year. It also authorizes the School to obtain funds from identified sources to finance current period activities. The budgetary statement demonstrates how well the School has complied with the budget ordinance and whether or not the School has succeeded in providing the services as originally planned.

Proprietary Funds – Cape Fear Center for Inquiry had no proprietary funds, which are enterprise funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Cape Fear Center for Inquiry has no enterprise funds.

Notes to the Financial Statements – The notes provide additional information essential to facilitating a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a school's financial condition. The assets of Cape Fear Center for Inquiry exceeded liabilities by \$2,491,333 as of June 30, 2016. As of June 30, 2015, the net position of Cape Fear Center for Inquiry stood at \$2,083,951. The School's net position increased by \$407,382 for the fiscal year ended June 30, 2016, compared to an increase of \$421,522 in 2015. The amount of \$1,686,668 reflects the School's investment in capital assets (e.g. land, leasehold improvements, school equipment, and electronic equipment), less any related debt still outstanding that was issued to acquire those items. Cape Fear Center for Inquiry uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. The remaining balance of \$804,665 is unrestricted. In 2015, the amount of net investment in capital assets totaled \$1,669,333, with unrestricted net position standing at \$414,618.

Management's Discussion and Analysis
Cape Fear Center for Inquiry
June 30, 2016

Figure 2
Cape Fear Center for Inquiry's Net Position

	Governmental Activities		Total	
	2016	2015	2016	2015
Current and other assets	\$ 1,287,773	\$ 988,947	\$ 1,287,773	\$ 988,947
Capital assets, net of depreciation	5,168,726	5,321,849	5,168,726	5,321,849
Total assets	<u>6,456,499</u>	<u>6,310,796</u>	<u>6,456,499</u>	<u>6,310,796</u>
Deferred inflows of resources	<u>173,345</u>	<u>145,769</u>	<u>173,345</u>	<u>145,769</u>
Other liabilities	13,268	8,613	13,268	8,613
Long-term liabilities outstanding	4,025,084	3,900,403	4,025,084	3,900,403
Total liabilities	<u>4,038,352</u>	<u>3,909,016</u>	<u>4,038,352</u>	<u>3,909,016</u>
Deferred inflows of resources	<u>100,159</u>	<u>463,598</u>	<u>100,159</u>	<u>463,598</u>
Net Position				
Net investment in capital assets	1,686,668	1,669,333	1,686,668	1,669,333
Unrestricted	804,665	414,618	804,665	414,618
Total net position	<u>\$ 2,491,333</u>	<u>\$ 2,083,951</u>	<u>\$ 2,491,333</u>	<u>\$ 2,083,951</u>

Several aspects of the School's financial operations positively influenced the total unrestricted governmental net position:

- The School adopted an annual budget. The School's performance was measured using this budget on a monthly basis, allowing changes to be made as needed to remain within the confines of the budget.
- The School applied for and was awarded several federal grants to assist with meeting the educational needs of the student population.

Management's Discussion and Analysis
Cape Fear Center for Inquiry
June 30, 2016

Figure 3
Cape Fear Center for Inquiry's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Donations and Other Revenues	\$ 135,543	\$119,174	\$ -	\$ -	\$135,543	\$119,174
Charges for Services	-	-	-	-	-	-
Operating Grants and Contributions	112,714	110,043	-	-	112,714	110,043
County, State, and Federal Funds	3,288,371	3,220,162	-	-	3,288,371	3,220,162
Total revenues	<u>3,536,628</u>	<u>3,449,379</u>	<u>-</u>	<u>-</u>	<u>3,536,628</u>	<u>3,449,379</u>
Instructional Programs	2,526,812	2,500,954	-	-	2,526,812	2,500,954
Support services	487,314	407,134	-	-	487,314	407,134
School food service	-	-	-	-	-	-
Fund raising	-	-	-	-	-	-
Non-programmed charges	6,823	3,026	-	-	6,823	3,026
Interest on long-term debt	108,297	116,743	-	-	108,297	116,743
Total expenses	<u>3,129,246</u>	<u>3,027,857</u>	<u>-</u>	<u>-</u>	<u>3,129,246</u>	<u>3,027,857</u>
Increase (Decrease) in net position before transfers	407,382	421,522	-	-	407,382	421,522
Transfers	-	-	-	-	-	-
Increase (Decrease) in net position	407,382	421,522	-	-	407,382	421,522
Net position, July 1	2,083,951	2,197,255	-	-	2,083,951	2,197,255
Restatement	-	(534,826)	-	-	-	(534,826)
Net position, June 30	<u>\$2,491,333</u>	<u>\$2,083,951</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$2,491,333</u>	<u>\$2,083,951</u>

Governmental activities. Governmental activities increased the School's net position by \$407,382.

Business-type activities. Cape Fear Center for Inquiry has no Business-type activities.

Financial Analysis of the School's Funds

As noted earlier, Cape Fear Center for Inquiry uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Management's Discussion and Analysis
Cape Fear Center for Inquiry
June 30, 2016

Governmental Funds. The focus of Cape Fear Center for Inquiry's governmental funds is to provide information on near-term inflows, outflows, and balances of usable financial resources. Such information is useful in assessing Cape Fear Center for Inquiry's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of Cape Fear Center for Inquiry. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,270,465, while total fund balance reached \$1,271,474.

Proprietary Funds. The School's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Cape Fear Center for Inquiry has no proprietary funds.

Capital Asset and Debt Administration

Capital assets. Cape Fear Center for Inquiry's investment in capital assets for its governmental fund as of June 30, 2016, totals \$5,168,726 (net of accumulated depreciation). Capital assets include land, leasehold improvements, school equipment, and electronic equipment.

Figure 4
Cape Fear Center for Inquiry's Capital Assets
 (net of depreciation)

	Governmental Activities	
	2016	2015
Land	\$ 1,114,500	\$ 1,114,500
Construction in Progress	58,826	58,826
Building	3,247,282	3,339,864
Land Improvements	687,087	732,481
School equipment	41,851	56,998
Electronic equipment	19,180	19,180
Total	<u>\$ 5,168,726</u>	<u>\$ 5,321,849</u>

Additional information about the School's capital assets can be found in Note 2.A.2. of the Basic Financial Statements.

Management's Discussion and Analysis
Cape Fear Center for Inquiry
June 30, 2016

Long-term Debt. As of June 30, 2016, Cape Fear Center for Inquiry had total outstanding debt of \$3,587,651, which includes compensated absences totaling \$105,593 and a Note Payable totaling \$3,482,058. Total debt decreased by \$183,318, during the year.

Economic Factors

The following key economic indicators reflect the growth and prosperity of the School:

- The growth rate in the multiple feeder LEAs that currently supply the school with children is expected to continue which will serve to maintain the ADM funding.
- The Board of Directors has carefully tracked the Fund Balance year to year and has internally set it aside for future possible expansion and/or improvement facilities projects.
- Per pupil base funding from the State increased by \$163.43 per pupil compared to the previous year. This equated to an increase of 3.56% over the prior year.

Requests for Information

This report is designed to provide an overview of the School's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Officer, Cape Fear Center for Inquiry, 2525 Wonder Way, Wilmington, North Carolina 28401, telephone (910) 362-0422.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA

Exhibit 1

Statement of Net Position

June 30, 2016

	Primary Government Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,277,169
Due from other governments	9,595
Prepaid items	1,009
	<u>1,287,773</u>
Capital assets (Note II. A) 2.):	
Land	1,114,500
Construction in progress	58,826
Other capital assets, net of depreciation	3,995,400
Total capital assets	<u>5,168,726</u>
Total assets	<u>6,456,499</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>173,345</u>
LIABILITIES	
Accounts payable and accrued expenses	13,268
Long-term liabilities:	
Net pension liability	437,433
Due within one year	304,613
Due in more than one year	3,283,038
Total liabilities	<u>4,038,352</u>
DEFERRED INFLOWS OF RESOURCES	<u>100,159</u>
NET POSITION	
Net investment in capital assets	1,686,668
Unrestricted	804,665
Total net position	<u>\$ 2,491,333</u>

The accompanying notes to the financial statements are an integral part of these statements.

Statement of Activities
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Position
		<u>Operating Grants and Contributions</u>	<u>Primary Government</u>
Primary government:			
Governmental activities:			
Instructional services	\$ 2,526,812	\$ 112,714	\$ (2,414,098)
System-wide support services	487,314	-	(487,314)
Non-programmed charges	6,823	-	(6,823)
Interest on long-term debt	108,297	-	(108,297)
Total governmental activities	<u>3,129,246</u>	<u>112,714</u>	<u>(3,016,532)</u>
Total primary government	<u>\$ 3,129,246</u>	<u>\$ 112,714</u>	<u>(3,016,532)</u>
General revenues:			
Unrestricted county appropriations			1,032,336
Unrestricted State appropriations			2,226,708
Donations- general			38,609
Fines and forfeitures			29,327
Investment earnings, unrestricted			2,678
Miscellaneous, unrestricted			94,256
Total general revenues			<u>3,423,914</u>
Change in net position			407,382
Beginning net position			<u>2,083,951</u>
Ending net position			<u>\$ 2,491,333</u>

The accompanying notes to the financial statements are an integral part of these statements.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA

Exhibit 3

Balance Sheet
Governmental Funds
June 30, 2016

	Major Funds		Non-major Fund	Total Governmental Funds
	General	State Public School	Federal Grants	
ASSETS				
Cash and cash equivalents	\$ 1,277,169	\$ -	\$ -	\$ 1,277,169
Due from other governments	9,595	-	-	9,595
Prepaid items	1,009	-	-	1,009
Total assets	<u>\$ 1,287,773</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,287,773</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 13,268	\$ -	\$ -	\$ 13,268
Total liabilities	<u>13,268</u>	<u>-</u>	<u>-</u>	<u>13,268</u>
DEFERRED INFLOWS OF RESOURCES	<u>3,031</u>	<u>-</u>	<u>-</u>	<u>3,031</u>
Fund balances:				
Nonspendable:				
Prepaid items	1,009	-	-	1,009
Unassigned	1,270,465	-	-	1,270,465
Total fund balances	<u>1,271,474</u>	<u>-</u>	<u>-</u>	<u>1,271,474</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,287,773</u>	<u>\$ -</u>	<u>\$ -</u>	

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	5,168,726
Net pension liability	(437,433)
Deferred inflows of resources related to pensions	(97,128)
Deferred outflows of resources related to pensions	173,345
Some liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in the funds	<u>(3,587,651)</u>
Net position of governmental activities	<u>\$ 2,491,333</u>

The accompanying notes to the financial statements are an integral part of these statements.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2016

Exhibit 4

	Major Funds		Non-major Fund	Total Governmental Funds
	General	State Public School	Federal Grants	
REVENUES				
State of North Carolina	\$ -	\$2,284,918	\$ -	\$ 2,284,918
Boards of education	1,032,336	-	-	1,032,336
U.S. Government	-	-	54,504	54,504
Contributions and donations	38,609	-	-	38,609
Fines and forfeitures	29,327	-	-	29,327
Interest income	2,678	-	-	2,678
Other	94,256	-	-	94,256
Total revenues	<u>1,197,206</u>	<u>2,284,918</u>	<u>54,504</u>	<u>3,536,628</u>
EXPENDITURES				
Current:				
Instructional services	844,748	1,576,760	54,504	2,476,012
System-wide support services	107,761	374,732	-	482,493
Non-programmed charges	6,823	-	-	6,823
Capital outlay	-	-	-	-
Debt service:				
Principal	3,569,721	246,537	-	3,816,258
Interest and other charges	27,978	80,319	-	108,297
Total expenditures	<u>4,557,031</u>	<u>2,278,348</u>	<u>54,504</u>	<u>6,889,883</u>
Excess of revenues over (under) expenditures	<u>(3,359,825)</u>	<u>6,570</u>	<u>-</u>	<u>(3,353,255)</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	6,570	(6,570)	-	-
Loan proceeds	3,645,800	-	-	3,645,800
Total other financing sources (uses)	<u>3,652,370</u>	<u>(6,570)</u>	<u>-</u>	<u>3,645,800</u>
Net change in fund balance	292,545	-	-	292,545
Beginning fund balance	978,929	-	-	978,929
Ending fund balance	<u>\$ 1,271,474</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,271,474</u>

The accompanying notes to the financial statements are an integral part of these statements.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Exhibit 5

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances- total governmental funds	\$ 292,545
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(153,123)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	170,458
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Contributions to the pension plan in the current fiscal year are not included on the statement of activities	136,735
--	---------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Pension expense	(52,093)
Compensated absences	<u>12,860</u>

Total changes in net position of governmental activities	<u><u>\$ 407,382</u></u>
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The accompanying notes to the financial statements are an integral part of these statements.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Cape Fear Center for Inquiry, North Carolina (the School) conform to generally accepted accounting principles (GAAP) as applicable to governments. Charter schools are established by non-profit entities. Because of the authority of the State Board of Education (SBE) to unilaterally abolish a school with all the assets reverting to a local education agency, the charter schools in North Carolina follow the governmental reporting model, as used by local education agencies. The following is a summary of the more significant accounting policies.

A) Reporting Entity

The Cape Fear Center for Inquiry, North Carolina is a public school operated by a non-profit corporation, serving approximately 405 students. The School operates under an approved charter received from the SBE, and applied for under the provisions of General Statute (G.S.) 115C-238.29B. G.S. 115C-238.29F(f)(1) states that a charter school shall be subject to the audit requirements adopted by the SBE, which includes the audit requirements established by G.S. 115C-447 of the School Budget and Fiscal Control Act (SBFCA). G.S. 115C-447 also requires financial statements to be prepared in accordance with GAAP.

B) Basis of Presentation

Government-wide Financial Statements: The statement of net position and the statement of activities display information about the School. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the School. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The School had no business-type activities during the year ended June 30, 2016.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the School and for each function of the School's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the School's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are reported as non-major funds.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B) Basis of Presentation (Continued)

The School reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the School. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund.

State Public School Fund: The State Public School Fund includes appropriations from the Department of Public Instruction for current operating needs of the School and is reported as a special revenue fund.

C) Measurement Focus and Basis of Accounting

Government-wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the School gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, State, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the School funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the School's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

D) Budgetary Data

The School adopts a unit-wide budget that reflects all revenues and expenditures against the estimated revenue and appropriations for the School. Additionally, the School adopts an individual fund budget for the Federal Grants Fund that reflects all revenues and expenditures. The budgets are prepared using the modified accrual basis of accounting.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D) Budgetary Data (Continued)

The governing board has voluntarily established the policy, as a sound business practice, that expenditures may not exceed appropriations, for all of the School's funds, based on the adopted budget and subsequent amendments. During the year, several amendments to the original budget were necessary. The budget presented in the supplementary information represents the budget of the School at June 30, 2016. All appropriations lapse at year end.

E) Assets, Liabilities, Deferred Outflows and Inflows of Resources and Fund Equity

1. Deposits and Investments

All deposits of the School are made in two local banks, whose accounts are FDIC insured. Also, the School has established time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

2. Cash and Cash Equivalents

The School pools money from several funds to facilitate disbursement and investment and to maximize investment income. All cash and investments with original maturities of three months or less are considered cash and cash equivalents.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Capital Assets

The School's donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. All other capital assets are recorded at original cost. The total of these estimates is not considered large enough that any errors would be material when capital assets are considered as a whole.

It is the policy of the School to capitalize all capital assets costing more than \$2,500 with an estimated useful life of two or more years. In addition, other items which are purchased and used in large quantities such as student desks and office furniture are capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. All depreciable assets are depreciated using the straight-line method of depreciation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E) Assets, Liabilities, Deferred Outflows and Inflows of Resources and Fund Equity (Continued)

4. Capital Assets (Continued)

Capital assets are depreciated over the following estimated useful lives:

	<u>Years</u>
Buildings	5 - 40
Land improvements	20
School equipment	5 - 10
Electronic equipment	5 - 10

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The School has one item that meets the criterion for this category – pension related deferrals. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The School has two items that meet the criterion for this category – deferred grant revenue and pension related deferrals.

6. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

7. Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated annual leave balances. Employees may accumulate up to thirty (30) days earned vacation leave with such leave being fully vested when earned. The School accounts for its leave on a first-in, first-out basis, such that the oldest available leave is used first. The current portion of the liability is recorded as such in the government-wide financial statements.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E) Assets, Liabilities, Deferred Outflows and Inflows of Resources and Fund Equity (Continued)

7. Compensated Absences (Continued)

The sick leave policy of the School provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the School has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

8. Net Position/Fund Balances

Net Position

Net position in the government-wide fund financial statements are classified as net investment in capital assets, net of related debt; restricted; and unrestricted. Restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through State statute.

Fund Balance

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balance as follows:

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Prepaid Items – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid operating expenses which is not a spendable resource.

Restricted Fund Balance – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E) Assets, Liabilities, Deferred Outflows and Inflows of Resources and Fund Equity (Continued)

8. Net Position/Fund Balances (Continued)

Committed Fund Balance – portion of fund balance that can only be used for a specific purpose imposed by a majority vote of the School's governing body (highest level of decision-making authority). Any changes or removal of the specific purpose requires majority action by the governing bodies that approved the original action.

Assigned Fund Balance – portion of fund balance that the School intends to use for specific purposes.

Unassigned Fund Balance – the portion of fund balance that has not been assigned to another fund or restricted, committed, or assigned to specific purposes within the General Fund.

The School has a revenue spending policy that provides guidance for programs with multiple revenue sources. The School will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-board of education funds, board of education funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The Board of Directors has the authority to deviate from this policy if it is in the best interest of the School.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E) Assets, Liabilities, Deferred Outflows and Inflows of Resources and Fund Equity (Continued)

9. Reconciliation of Government-wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation between for governmental funds' total fund balance and governmental activities' net position as reported in the government-wide statement of net position. The net adjustment of \$1,219,859 consists of several elements as follows:

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Capital assets used in governmental activities are not financial resources are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column).	\$ 6,021,354
Less accumulated depreciation	(852,628)
Pension related deferred outflows of resources:	
Differences between contributions and proportional share of contributions and changes in proportion	33,039
Contributions made to the pension plan in current fiscal year	140,306
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Net pension liability	(437,433)
Deferred inflows of resources related to pensions:	
Differences between expect and actual experience	(49,736)
Differences between projected and actual earnings on plan investments	(47,392)
Bonds, leases, and installment financing	(3,482,058)
Compensated absences	(105,593)
Total adjustment	<u>\$ 1,219,859</u>

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E) Assets, Liabilities, Deferred Outflows and Inflows of Resources and Fund Equity (Continued)

10. Defined Benefit Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Teachers' and State Employees' Retirement System (TSERS) and additions to/deductions from TSERS' fiduciary net position have been determined on the same basis as they are reported by TSERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The School's employer contributions are recognized when due and the School has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of TSERS. Investments are reported at fair value.

F) Revenues, Expenditures, and Expenses

1. Funding

The School is funded by the State Board of Education, receiving (i) an amount equal to the average per pupil allocation for the average daily membership (ADM) from the local school administrative unit allotments in which the School is located for each child attending the School except for the allocation for children with special needs and (ii) an additional amount for each child attending the School who is a child with special needs [G.S. 115C-238.29H(a)]. Additionally, the School receives, for each student who resides in the local administrative unit and attends the charter school, an amount equal to the per pupil local current expense appropriation to the respective local school administrative unit for the fiscal year which is transferred by the appropriate local school administrative unit(s). [G.S. 115C-238.29H(b)]. For the fiscal year ended June 30, 2016, the School received funding from the Boards of Education for New Hanover, Brunswick, Duplin and Pender Counties.

Furthermore, the School has received donations of cash and/or equipment from private organizations. The cash is available to be used throughout the year for the School's various programs and activities.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F) Revenues, Expenditures, and Expenses (Continued)

2. Reconciliation of Government-wide and Fund Financial Statements

The governmental fund statement of revenues, expenditures, and changes in fund balances is followed by a reconciliation between the change in governmental funds' fund balance and the change in governmental activities' net position as reported on the government-wide statement of activities. The net difference of \$114,837 between the two amounts consists of the following elements:

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Capital outlay expenditures recorded in the fund statements but capitalized as assets on the statement of activities.	\$ -
Depreciation expense that is recorded on the statement of activities but not in the fund statements.	(153,123)
New debt issued during the year is recorded as a source of funds on the fund statements but has no effect on the statement of activities, only the statement of net position.	(3,645,800)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements.	3,816,258
Contributions to the pension plan in the current fiscal year are not included on the statement of activities	136,735
Expenses reported on the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements:	
Compensated absences are accrued in the government-wide statements but not in the fund statements, as they do not use current resources.	12,860
Pension expense	<u>(52,093)</u>
Total	<u>\$ 114,837</u>

G) Use of Estimates and Assumption

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS

A) Assets

1. Deposits

At June 30, 2016, the School had deposits with banks with a carrying amount of \$1,276,749. The bank balance with the financial institutions was \$1,361,575. Of this balance, \$861,575 was not covered by federal depository insurance. As required by the revenue bond agreement (Note II.B)4.a.), the School maintains the majority of its cash at the same financial institution that services the revenue bond. The School does not have a deposit policy for custodial credit risk. The School holds \$420 in petty cash.

2. Capital Assets

Capital asset activity for the year ended June 30, 2016, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,114,500	\$ -	\$ -	\$ 1,114,500
Construction in progress	58,826	-	-	58,826
	<u>1,173,326</u>	<u>-</u>	<u>-</u>	<u>1,173,326</u>
Capital assets being depreciated:				
Building	3,703,111	-	-	3,703,111
Land improvements	907,875	-	-	907,875
School equipment	116,428	-	-	116,428
Electronic equipment	120,614	-	-	120,614
Total assets being depreciated	<u>4,848,028</u>	<u>-</u>	<u>-</u>	<u>4,848,028</u>
Less accumulated depreciation for:				
Building	363,247	92,582	-	455,829
Land improvements	175,394	45,394	-	220,788
School equipment	59,430	15,147	-	74,577
Electronic equipment	101,434	-	-	101,434
Total accumulated depreciation	<u>699,505</u>	<u>153,123</u>	<u>-</u>	<u>852,628</u>
Total capital assets being depreciated, net	<u>4,148,523</u>			<u>3,995,400</u>
Total governmental activities capital assets, net	<u>\$ 5,321,849</u>			<u>\$ 5,168,726</u>

Depreciation expense was charged to governmental functions as follows:

Instructional services	\$ 148,302
System-wide support services	4,821
	<u>\$ 153,123</u>

At June 30, 2016, capital assets included land held for sale in the amount of \$364,500.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities

1. Pension Plan and Other Postemployment Obligations

a. Teachers' and State Employees' Retirement System

Plan Description. Cape Fear Center For Inquiry is a participating employer in the statewide Teachers' and State Employees' Retirement System (TSERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. TSERS membership is comprised of employees of the State (state agencies and institutions), universities, community colleges, and certain proprietary component units along with the employees of Local Education Agencies and charter schools. Article 1 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the TSERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Teachers' and State Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for TSERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. TSERS provides retirement and survivor benefits. Retirement benefits are determined as 1.82% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. General employee plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service (or 10 years of creditable service for members joining TSERS on or after August 1, 2011), at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (or 10 years of creditable service for members joining TSERS on or after August 1, 2011). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reach age 60 (10 years for members joining on or after August 1, 2011). Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan. TSERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer (or 10 years of creditable service for members joining TSERS on or after August 1, 2011), or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50,

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

a. Teachers' and State Employees' Retirement System (Continued)

or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 135-8 and may be amended only by the North Carolina General Assembly. School employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the TSERS Board of Trustees. The School's contractually required contribution rate for the year ended June 30, 2016, was 9.15% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the School were \$140,306 for the year ended June 30, 2016.

Refunds of Contributions – School employees who have terminated service as a contributing member of TSERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by TSERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the School reported a liability of \$437,433 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2014. The total pension liability was then rolled forward to the measurement date of June 30, 2015 utilizing update procedures incorporating the actuarial assumptions. The School's proportion of the net pension liability was based on a projection of the School's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating TSERS employers, actuarially determined. At June 30, 2015 and at June 30, 2014, the School's proportion was .0110% and .0110%, respectively.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

a. Teachers' and State Employees' Retirement System (Continued)

For the year ended June 30, 2016, the School recognized pension expense of \$52,093. At June 30, 2016, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 49,736
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	47,392
Changes in proportion and differences between School contributions and proportionate share of contributions	33,039	-
School contributions subsequent to the measurement date	140,306	-
Total	<u>\$ 173,345</u>	<u>\$ 97,128</u>

\$140,306 was reported as deferred outflows of resources related to pensions resulting from School contributions subsequent to the measurement date will be recognized as a decrease of the net position liability in the year ending June 30, 2017. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (47,487)
2018	(47,487)
2019	(45,983)
2020	76,868
2021	-
Thereafter	-
	<u>\$ (64,089)</u>

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

a. Teachers' and State Employees' Retirement System (Continued)

Actuarial Assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	4.25 to 9.10 percent, including inflation and productivity factor
Investment rate of return	7.25 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

a. Teachers' and State Employees' Retirement System (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29.0%	2.2%
Global Equity	42.0%	5.8%
Real Estate	8.0%	5.2%
Alternatives	8.0%	9.8%
Credit	7.0%	6.8%
Inflation Protection	6.0%	3.4%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2014 asset liability and investment policy study for the North Carolina Retirement Systems, including TSERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

a. Teachers' and State Employees' Retirement System (Continued)

Sensitivity of the School's proportionate share of the net pension asset to changes in the discount rate. The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the School's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
School's proportionate share of the net pension liability (asset)	\$ 1,316,553	\$ 437,433	\$ (308,601)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

b. Other Postemployment Benefits

1. Healthcare Benefits

Plan Description. The postemployment healthcare benefits are provided through a cost-sharing multiple-employer defined benefit plan administered by the Executive Administrator and the Board of Trustees of the Comprehensive Major Medical Plan (the Plan). The Executive Administrator and the Board of Trustees of the Plan establishes premium rates except as may be established by the General Assembly in an appropriation act. The Plan's benefit and contribution provisions are established by Chapter 135-7, Article 1, and Chapter 135, Article 3 of the General Statutes and may be amended only by the North Carolina General Assembly. By General Statute, the Plan accumulates contributions from employers and any earnings on those contributions in the Retiree Health Benefit Fund. These assets shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. These contributions are irrevocable. Also by law, these assets are not subject to the claims of creditors of the employers making contributions to the Plan.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

b. Other Postemployment Benefits (Continued)

1. Healthcare Benefits (Continued)

The State of North Carolina issues a publicly available financial report that includes financial statements and required supplementary information for the State's Comprehensive Major Medical Plan (also, referred to as the State Health Plan). An electronic version of this report is available by accessing the North Carolina Office of the State Controller's Internet home page <http://www.ncosc.net/> and clicking on "Financial Reports", or by calling the State Controller's Financial Reporting Section at (919) 981-5454.

Funding Policy. The Comprehensive Major Medical Plan is administered by the Executive Administrator and Board of Trustees of the Plan, which establishes premium rates except as, may be established by the General Assembly in an appropriation act. The healthcare benefits for retired and disabled employees are the same as for active employees, except that the coverage becomes secondary when former employees become eligible for Medicare. For employees first hired on and after October 1, 2006, future coverage as retired employees is subject to the requirement that the future retiree have 20 or more years of retirement service credit in order to receive coverage on a noncontributory basis. Employees first hired on and after October 1, 2006 with 10 but less than 20 years of retirement service credit are eligible for coverage on a partially contributory basis. For such future retirees, the State will pay 50% of the State Health Plan's total noncontributory premium. For employees hired before October 1, 2006, healthcare benefits are provided to retirees (at no charge to the retirees) who have at least five years of contributing retirement membership prior to disability or retirement. In addition, persons who became surviving spouses of retirees prior to October 1, 1986, receive the same coverage as retirees at the State's expense.

Contributions are determined as a percentage of covered monthly payroll. Annually, the monthly contribution rates to the Plan, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis, are determined by the General Assembly in the Appropriations Bill. For the fiscal years ended June 30, 2016, 2015 and 2014, the School paid all annual required contributions to the Plan for postemployment healthcare benefits of \$84,956, \$92,663 and \$89,046, respectively. These contributions represented 5.60%, 5.49%, and 5.40% of covered payroll, respectively.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

b. Other Postemployment Benefits (Continued)

2. Long-term Disability Benefits

Plan Description. Short-term and long-term disability benefits are provided through the Disability Income Plan of North Carolina (DIPNC), a cost-sharing, multiple-employer defined benefit plan. The DIPNC is administered by the Board of Trustees of the Teachers' and State Employees' Retirement System. Long-term disability benefits are payable as an other postemployment benefit from DIPNC after the conclusion of the short-term disability period or after salary continuation payments cease, whichever is later, for as long as an employee is disabled. Benefit and contribution provisions are established by Chapter 135, Article 6, of the General Statutes and may be amended only by the North Carolina General Assembly. The Plan accumulates contributions from employers and any earnings on those contributions in the Disability Income Plan Trust Fund. The Plan does not provide for automatic post-retirement benefit increases.

The State of North Carolina issues a publicly available financial report that includes financial statements and required supplementary information for the DIPNC. An electronic version of this report is available by accessing the North Carolina Office of the State Controller's Internet home page <http://www.ncosc.net/> and clicking on "Financial Reports", or by calling the State Controller's Financial Reporting Section at (919) 981-5454.

Funding Policy. An employee is eligible to receive long-term disability benefits provided the following requirements are met: (1) the employee has five or more years of contributing membership service in the Teachers' and State Employees' Retirement System of North Carolina, earned within 96 months prior to the end of the short-term disability period or cessation of salary continuation payments, whichever is later; (2) the employee must make application to receive long-term benefits within 180 days after the conclusion of the short-term disability period or after salary continuation payments cease or after monthly payments for workers' compensation cease (excluding monthly payments for permanent partial benefits), whichever is later; (3) the employee must be certified by the Medical Board to be mentally or physically disabled for the further performance of his/her usual occupation; (4) the disability must have been continuous, likely to be permanent, and incurred at the time of active employment; (5) the employee must not be eligible to receive an unreduced retirement benefit from the Retirement System; and (6) the employee must terminate employment as a permanent, full-time employee. An employee is eligible to receive an unreduced retirement benefit from the Retirement System after (1) reaching the age of 65 and completing five years of creditable service, or (2) reaching the age of 60 and completing 25 years of creditable service, or (3) completing 30 years of creditable service, at any age.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

b. Other Postemployment Benefits (Continued)

2. Long-term Disability Benefits (Continued)

The monthly long-term disability benefit is equal to 65% of one-twelfth of an employee's annual base rate of compensation last payable to the participant or beneficiary prior to the beginning of the short-term disability period, plus the like percentage of one twelfth of the annual longevity payment to which the participant or beneficiary would be eligible. The monthly benefits are subject to a maximum of \$3,900 per month reduced by any primary Social Security disability benefits and by monthly payments for workers' compensation to which the participant or beneficiary may be entitled. The monthly benefit shall be further reduced by the amount of any monthly payments from the Department of Veterans Affairs, any other federal agency or any payments made under the provisions of G.S.127A-108, to which the participant or beneficiary may be entitled on account of the same disability. Provided in any event, the benefits payable shall be no less than \$10 a month. When an employee qualifies for an unreduced service retirement allowance from the Retirement System, the benefits payable from DIPNC will cease, and the employee will commence retirement under the TSERS.

For members who obtain five years of membership service on or after August 1, 2007, the monthly long-term disability benefit is reduced by the primary Social Security retirement benefit to which one might be entitled should one become age 62 during the first 36 months. After 36 months of long-term disability, there will be no further payments from the DIPNC unless the member is approved for and is in receipt of primary Social Security disability benefits. It is payable so long as the member remains disabled and is in receipt of a primary Social Security disability benefit until eligible for an unreduced service retirement benefit. When an employee qualifies for an unreduced service retirement allowance from the Retirement System, the benefits payable from DIPNC will cease, and the employee will commence retirement under the TSERS.

The School's contributions are established in the Appropriations Bill by the General Assembly. Benefit and contribution provisions are established by Chapter 135, Article 6, of the General Statutes and may be amended only by the North Carolina General Assembly. The contributions cannot be separated between the amounts that relate to other postemployment benefits and employment benefits for active employees. Those individuals who are receiving extended short-term disability benefit payments cannot be separated from the number of members currently eligible to receive disability benefits as an other postemployment benefit. For the fiscal years ended June 30, 2016, 2015, and 2014, the Board paid all annual required contributions to the DIPNC for disability benefits of \$6,220, \$6,920, and \$7,256, respectively. These contributions represented 0.41%, 0.41%, and 0.44%, of covered payroll, respectively.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

2. Deferred Outflows and Inflows of Resources

The balance in deferred outflows and inflows of resources at year-end is composed of the following elements:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in proportion and difference between employer contributions and proportionate share of contributions	\$ 33,039	\$ -
Difference between projected and actual earnings on plan investments	-	47,392
Difference between expected and actual experience	-	49,736
Employer contributions subsequent to measurement date	140,306	-
Deferred grant (General Fund)	-	3,031
Totals	<u>\$ 173,345</u>	<u>\$ 100,159</u>

3. Risk Management

The School is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School maintains general liability and errors and omissions insurance coverage of \$1 million per occurrence with a commercial carrier.

The School also participates in the Teachers' and State Employees' Comprehensive Major Medical Plan, a self-funded risk financing pool of the State administered by Blue Cross and Blue Shield of North Carolina. Through the Plan, permanent full-time employees of the School are eligible to receive health care benefits up to a \$2 million lifetime limit. In addition, employees have the option of receiving health care benefits through one of the available health maintenance organizations (HMOs). The School pays the full cost of coverage for employees enrolled in the Comprehensive Major Medical Plan and makes an equal contribution for employees enrolled in one of the available HMO plan [G.S.115C-238.29F(e)(4)].

The School carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year and claims have not exceeded coverage in any of the past two fiscal years. The School carries flood insurance of \$315,200 through a private insurance company.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

4. Long-Term Obligations

a) Bonds Payable

On August 24, 2010 the School entered into a bond agreement with a local bank to obtain a revenue term bond issued, in the aggregate of \$4,250,000. The proceeds of the bond were used to finance the construction of a new school and pay the bond issuance costs. Effective August 2015, the bonds payable were refinanced and fully paid off.

b) Note Payable

As noted above, the bonds payable were refinanced as a note payable with a financial institution in August 2015. The note bears interest at a rate of 3.05%. The note matures on August 15, 2022 with monthly payments, including principal and interest, of \$25,325. On June 30, 2016, the outstanding principal balance was \$3,482,058.

The future payments of the note payable for the years ending June 30 are as follows:

Year Ending June 30,	Principal
2017	\$ 199,020
2018	205,263
2019	211,701
2020	218,109
2021	225,182
Thereafter	<u>2,422,783</u>
Total	<u>\$ 3,482,058</u>

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

II. DETAIL NOTES ON ALL FUNDS (Continued)

B) Liabilities (Continued)

4. Long-Term Obligations (Continued)

c) Changes in Long-Term Obligations

The following is a summary of changes in the School's long-term obligations for the fiscal year ended June 30, 2016:

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016	Current Portion
Bond payable	\$ 3,652,516	\$ -	\$ 3,652,516	\$ -	\$ -
Note payable	-	3,645,800	163,742	3,482,058	199,020
Net pension liability	129,434	307,999	-	437,433	-
Compensated absences	118,453	-	12,860	105,593	105,593
	<u>\$ 3,900,403</u>	<u>\$ 3,953,799</u>	<u>\$ 3,829,118</u>	<u>\$4,025,084</u>	<u>\$ 304,613</u>

C) Fund Balance

The School has a revenue spending policy that provides guidance for programs with multiple revenue sources. The School will use resources in the following hierarchy: bond proceeds, federal funds, State funds, and local funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The Board of Directors has the authority to deviate from this policy if it is in the best interest of the School.

The following schedule provides management and citizens with information on the portion of the General Fund balance that is available for appropriation.

Total fund balance	\$ 1,271,474
Less:	
Prepaid items	1,009
Remaining fund balance	<u>\$ 1,270,465</u>

III. RELATED PARTY TRANSACTIONS

Five employees of the School also serve as members of the governing board of Cape Fear Center for Inquiry. For the fiscal year ended June 30, 2016, these employees were paid salaries of \$271,312 from the State Public School Fund.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2016

IV. NET INVESTMENT IN CAPITAL ASSETS

The net investment in capital assets at June 30, 2016 is as follows:

Total capital assets	\$ 5,168,726
Less: notes payable	<u>(3,482,058)</u>
	<u>\$ 1,686,668</u>

V. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Federal and State Assisted Programs

The School has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

VI. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 22, 2016, the date of the issuance of these financial statements.

SUPPLEMENTARY INFORMATION

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Schedule of the School's Proportionate Share of the Net Pension Liability
Teachers' and State Employees' Retirement System
For the Years Ended June 30, 2016 and 2015

Schedule 1

	<u>2016</u>	<u>2015</u>
School's proportion of the net pension liability	0.011%	0.011%
School's proportionate share of the net pension liability	\$ 437,433	\$ 129,434
School's covered-employee payroll	\$1,517,079	\$1,593,104
School's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	28.83%	8.12%
Plan fiduciary net position as a percentage of the total pension liability	94.64%	98.24%

* The amounts presented for each fiscal year were determined as
of the prior fiscal year ending June 30.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Schedule of School Contributions
Teachers' and State Employees' Retirement System
For the Years Ended June 30, 2016 and 2015

Schedule 2

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 138,813	\$ 145,769
Contributions in relation to the contractually required contribution	<u>138,813</u>	<u>145,769</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
 School's covered-employee payroll	 \$ 1,517,079	 \$ 1,593,104
 Contributions as a percentage of covered-employee payroll	 9.15%	 9.15%

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA **Schedule 3**
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
All Fund Types
For the Fiscal Year Ended June 30, 2016

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
State of North Carolina	\$ 2,299,705	\$ 2,284,918	\$ (14,787)
Boards of education:			
New Hanover County	923,448	923,448	-
Brunswick County	83,000	90,545	-
Pender County	17,377	17,377	-
Duplin County	966	966	-
U.S. Government	55,073	54,504	(569)
Fines and forfeitures	29,357	29,327	(30)
Donations	38,537	38,609	72
Others	102,951	96,934	(6,017)
Total revenues	<u>3,550,414</u>	<u>3,536,628</u>	<u>(21,331)</u>
EXPENDITURES			
Salaries and bonuses	1,936,456	1,829,470	106,986
Employee benefits	628,217	551,251	76,966
Books and supplies	99,724	73,084	26,640
Technology	33,738	40,041	(6,303)
Non-capitalized equipment and leases	32,000	19,397	12,603
Contracted student services	90,288	90,088	200
Staff development	12,014	11,165	849
Administrative services	84,635	82,857	1,778
Insurance	45,148	45,148	-
Rent	5,525	5,250	275
Facilities	152,448	138,980	13,468
Utilities	59,544	55,863	3,681
Nutrition and food	8,750	8,268	482
New site development	41,343	-	41,343
Capital campaign	20,000	14,466	5,534
Total	<u>3,249,830</u>	<u>2,965,328</u>	<u>284,502</u>
Capital outlay	<u>27,198</u>	<u>-</u>	<u>27,198</u>
Debt service:			
Principal	3,816,258	3,816,258	-
Interest	123,025	108,297	14,728
Total debt service	<u>3,939,283</u>	<u>3,924,555</u>	<u>14,728</u>
Total expenditures	<u>7,216,311</u>	<u>6,889,883</u>	<u>326,428</u>
Other financing sources (uses):			
Loan proceeds	3,645,800	3,645,800	-
Fund balance appropriated	20,097	-	(20,097)
Total other financing sources (uses)	<u>3,665,897</u>	<u>3,645,800</u>	<u>20,097</u>
Excess of revenue over expenditures	<u>\$ -</u>	<u>\$ 292,545</u>	<u>\$ 292,545</u>

**Independent Auditors' Report On Internal Control Over Financial Reporting
And On Compliance And Other Matters Based On An Audit Of Financial
Statements Performed In Accordance With *Government Auditing Standards***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cape Fear Center for Inquiry, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Cape Fear Center for Inquiry's basic financial statements, and have issued our report thereon dated October 22, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Rives & Associates LLP

Raleigh, North Carolina
October 22, 2016



Rives & Associates, LLP
Certified Public Accountants

www.rivescpa.com

Member:
American Institute of
Certified Public Accountants

Member:
North Carolina Association of
Certified Public Accountants

Independent Auditors' Report On Compliance For Each Major State Program and on Internal Control Over Compliance Required By OMB Uniform Guidance and the State Single Audit Implementation Act

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

Report on Compliance for Each Major State Program

We have audited Cape Fear Center for Inquiry, North Carolina, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Cape Fear Center for Inquiry's major State programs for the year ended June 30, 2016. The Cape Fear Center for Inquiry's major State program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the Cape Fear Center for Inquiry's major State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the Cape Fear Center for Inquiry's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State program. However, our audit does not provide a legal determination of the Cape Fear Center for Inquiry's compliance.

Opinion on Each Major State Program

In our opinion, the Cape Fear Center for Inquiry complied, in all material respects, with the types of compliance requirements referred to that could have a direct and material effect on its major State program for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of Cape Fear Center for Inquiry is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered Cape Fear Center for Inquiry's internal control over compliance with the types of requirements that are appropriate in the circumstances that could have a direct and material effect on a major State program to determine the auditing procedures for the purpose of expressing our opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Cape Fear Center for Inquiry's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rives & Associates LLP

Raleigh, North Carolina
October 22, 2016

COMPLIANCE SECTION

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2016

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified?	_____ yes	_____ ✓ no
Significant deficiency(s) identified that are not considered to be material weaknesses?	_____ yes	_____ ✓ none reported
Noncompliance material to financial statements noted	_____ yes	_____ ✓ no

State Awards

Internal control over major State programs:

Material weaknesses identified?	_____ yes	_____ ✓ no
Significant deficiency(s) identified that are not considered to be material weakness(es)?	_____ yes	_____ ✓ none reported

Type of auditors' report issued on compliance for major State programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act

_____ yes	_____ ✓ no
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Identification of major State programs:

Program Name
State Public School Fund - Charter Schools

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS

None reported.

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Summary Schedule of Prior Year Audit Finding
For the Year Ended June 30, 2016

No findings disclosed in the prior year

CAPE FEAR CENTER FOR INQUIRY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2016

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/Pass- Through Grantor's Number	Expenditures
FEDERAL GRANTS			
<u>U.S. Department of Education</u>			
Cash Assistance:			
Passed-through the N.C. Department of Public Instruction			
Special Education Cluster:			
Special Education - Grants to States (IDEA, Part B)			
Education of the Handicapped	84.027	PRC 060	\$ 53,486
Special Education - Special Needs			
Targeted Assistance	84.027	PRC 118	331
Total Special Education Cluster			53,817
Improving Teacher Quality	84.367A	PRC 103	687
Total U.S. Department of Education			54,504
Total federal assistance			54,504
STATE GRANTS			
Cash Assistance:			
<u>N.C. Department of Public Instruction:</u>			
State Public School Fund - Charter School		PRC 036	2,226,708
State Public School Fund - Behavioral Support		PRC 029	50,000
State Public School Fund - Summer Reading Program		PRC 016	8,210
Total State assistance			2,284,918
Total federal and State assistance			\$ 2,339,422

Note to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of Cape Fear Center for Inquiry under the programs of the federal government and the State of North Carolina for the year ended June 30, 2016. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.



Graduated Return to School Protocol

RECOVERY STAGE 1

Complete Physical and Cognitive Rest until Medical Clearance

- No School Attendance
- Strict Limits on Technology Usage
- REST

*Symptom Free for 24 Hours? ***

Yes:
Begin Stage 2

No:
Continue Resting

Date Attained:

RECOVERY STAGE 2

Return to School with Academic Accommodations

- Continue Limits on Technology Usage
- Avoid Heavy Backpacks
- No Tests, PE, Band or Chorus
- Monitor Symptoms
- REST at home

*Symptom Free for Next 24 hours? ***

Yes:
Begin Stage 3

No:
Rest Further until Symptom Free

Date Attained:

RECOVERY STAGE 3

Continue Academic Accommodations

- Attend School Full Time if Possible
- Increase Work Load Gradually (testing, homework, etc)
- Monitor Symptoms
- Incorporate light aerobic activity
- REST at home

*Symptom Free for Next 24 Hours? ***

Yes:
Begin Stage 4

No:
Return to Stage 2 until Symptom Free

Date Attained:

RECOVERY STAGE 4

Full Recovery to Academics

- Attend School Full Time
- Self-Advocate at School (meet due dates, etc)
- Resume Normal Activities
- Resume Sports following Graduated Return to Play

*Symptom Free Next 24 Hours? ***

Yes:
Return to School

No:
Return to Stage 4 until Symptom Free

Date Attained:

**** Symptom-Free means NO lingering Headaches, Sensitivity to Light/Noise, Fogginess, Drowsiness, etc**

Reference: HeadSmart Handbook: A Healthy Transition After Concussion (2010). www.Southshorehospital.org.



Helping Students Recover from a Concussion: Classroom Tips for Teachers

HEADS UP SCHOOLS

Below are some general tips that may help your students slowly get back into their school routine:

- Allow them to spend fewer hours at school until symptoms lessen.
- Excuse them from physical activities, such as recess, physical education (PE) class, and sports, until approved by a health care professional who has experience treating concussions.
- Help them avoid noisy and over-stimulating environments if these activities make their symptoms worse.
- Allow them to take more time on tests or assignments and consider rescheduling testing.
- Plan for times during the day when they can take time to rest.
- For older students, consider rescheduling, dropping, or auditing more difficult or elective classes without penalty if they need support for a long period of time.

How can I help students who are recovering from a concussion?

As a teacher, you play an important role in helping students recover from a concussion as they return to school. Making short-term changes to your students' school work load and schedule—and giving them the time to help their brain heal—can help them get back to their regular school routine. As they begin to feel better, you can slowly remove these changes.

Concussion symptoms may return as students get back to physical or mental activities, so be sure to watch out for any worsening symptoms (such as headaches, a hard time concentrating, and/or nausea) and update their parents.

Before choosing what changes you will make:

- Work with students and their parents to identify the type and length of activities your students can handle and create a plan on how to address any school work they may have missed.
- Tailor the plan to each student. Take into account your student's age, types of symptoms, level of understanding, and emotional status. No two students are alike in the concussion symptoms they have and how they recover from a concussion.
- Coordinate the classroom changes with your students' other teachers and other school professionals, so they have the same level of support throughout the school day.



Changes You Can Make Based on Type of Concussion Symptoms

THINKING/REMEMBERING

(such as having difficulty thinking clearly or concentrating, feeling slowed down)

- Reduce class assignments and homework to key tasks only and base grades on adjusted work.
- Provide extra time to work on class assignments.
- Provide written instructions and help for homework and classwork.
- Allow extra time to take tests, limit tests to one per day, and/or provide study guides.
- Allow your students to show they understand a concept orally instead of in writing.
- Provide class notes and/or allow students to use a computer or tape recorder to record classroom information.

FATIGUE/SLEEP AND PHYSICAL

(such as feeling tired, having no energy, having headaches or dizziness)

- Allow time to visit the school nurse for treatment of headaches or other symptoms.
- Provide rest breaks.
- Give your students extra time to go from class to class, to avoid crowds.
- If bothered by light, allow your students to wear sunglasses or sit in a place that is less bright (e.g., draw blinds, sit away from window).
- If bothered by noise, provide a quiet place for your students to study, take a test, or spend lunch or recess.
- Do not substitute concentration activities for physical activity (e.g., do not assign reading instead of PE).

EMOTIONAL

(such as feeling sad, irritable, anxious)

- Develop an emotional support plan for your students (e.g., identify an adult to whom they can talk if feeling overwhelmed).
- Locate a quiet place for your students to go to if they feel overwhelmed. And provide information on how they can safely get to this quiet location.
- Students may benefit from continued involvement in certain extracurricular activities during their recovery. Identify student and family preferences and consider these activities, approved by their health care provider, in relation to rest time and academic work.

Types of formal support services

For most students, only short-term changes or support services are needed as they recover from a concussion. However, a variety of formal support services may be available to help students who are experiencing a longer or more difficult recovery. These support services may vary widely among states and school districts. The type of support will differ depending on the specific needs of each student. Support services may include:

- Response to Intervention Protocol (RTI)
- 504 Plan
- Individualized Education Plan (IEP)

Be sure to check to see what support services are available in your school or district.



You can't see a concussion and your students may look fine on the outside.

However, the effects of a concussion can be serious. Helping your students slowly return to learning may lower their chances of experiencing worsening symptoms and a longer recovery.

For more detailed information on helping students return to school after a concussion, download "Returning to School After a Concussion: A Fact Sheet for School Professionals" at:
www.cdc.gov/concussion/HeadsUp/schools.html

For more information, visit www.cdc.gov/Concussion.





Return-to-Learn After Concussion

Guidelines for Implementation

Acknowledgements

The following individuals are gratefully acknowledged for their contributions to the development of this Implementation Guide:

Ellen Essick, NC Department of Public Instruction

Cynthia Floyd, NC Department of Public Instruction

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Stephen Hooper, University of North Carolina – Chapel Hill

Burt Jenkins, NC Department of Public Instruction

Lynn Makor, NC Department of Public Instruction/Carolina Institute for Developmental Disabilities

Dreama McCoy, NC Department of Public Instruction

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Ann Nichols, NC Department of Health and Human Services, Division of Public Health

Ashlee Taylor, Wake County Public School System

In addition,

The following groups are acknowledged for their contributions to this work:

Children & Youth Committee of the North Carolina Brain Injury Advisory Council (NCBIAC)

NC Department of Public Instruction School-Based Practice Advisory Council for TBI

The following school districts are acknowledged for the available resources that have supported this work:

Cabarrus County Schools

Charlotte Mecklenburg Schools

Wake County Public School System

NORTH CAROLINA STATE BOARD OF EDUCATION

“Return-to-Learn after Concussion”

ID Number: [HRS-E-001](#)

Approved: October 1, 2015

Effective: 2016-2017 School Year

Implementation Guide/Resource Document

Introduction

A concussion is a mild form of traumatic brain injury (mTBI) that changes the way a person’s brain normally works. A concussion is caused by a bump, blow, and/or a jolt to the head that may not involve physical contact. Concussions can occur with or without loss of consciousness. Signs and symptoms of a concussion can show up right after an injury or may not appear or be noticed until hours or days after the injury. The physical symptoms that are common following a concussion may include headaches, double vision, light sensitivity, dizziness, fatigue and/or sensitivity to noise. Learning difficulties that may be present include those associated with light and noise sensitivity, cognitive fatigue, slippages in attention, problems with memory, and/or slower processing speed. Any of these symptoms may negatively impact a student’s learning, emotion regulation, or behavioral functioning in the school setting. These symptoms usually resolve in 1-2 weeks in the majority of cases, but in many cases they can linger for months. Consequently, there is a need for guidelines to support all students in their return to the educational environment after sustaining a concussion.

In 2011 the North Carolina General Assembly passed the Gfeller Waller Concussion Awareness Act (GWCA), that addresses concussion management for injuries experienced in the context of participation in public school sports. This law provided clear guidelines and procedures for managing the concussion symptoms of middle and high school students, including return-to-play guidelines, but did not address non-sports related injuries, injuries that occurred outside the school setting, injuries to younger children, or the needs of students as they returned to the learning environment. The current policy provides “return-to-learn” guidelines that should assist school districts in addressing the learning, emotional, and behavioral needs of all students, including those under the GWCA, following a concussion.

In support of the Return to Learn policy, this Implementation Guide:

- 1) Provides guidelines for the identification of students who have sustained a concussion;
- 2) Guides staff in the evaluation of a student with a concussion and provides guidelines for parent notification;
- 3) Provides parents and staff with concussion education;
- 4) Provides guidance for staff as they develop educational and health-related accommodations for students who have sustained a concussion;
- 5) Provides guidance to staff as they provide educational supports for students with prolonged symptoms related to concussion. (Persisting problems following concussion in children are more common in those with previous head injury, as well as those who have experienced preexisting learning difficulties, neurological, or psychiatric difficulties.)

Each of the following sections of this guide will explain a particular policy statement, offer examples of implementation, and provide resources that each LEA and charter school may use to develop local guidelines in meeting the needs of students who have experienced concussions.

(a) Each Local Education Agency (LEA) and charter school must develop a plan for addressing the needs of students, preschool through twelfth grade, suffering concussions. The plan must include:

1) Guidelines for removal of a student from physical and mental activity when there is suspicion of concussion;

Explanation:	Any teacher, coach, school administrator, school counselor, school psychologist, school drug counselor, school nurse, attendance officer, or other school professional who suspects that any student has suffered a concussion or other head injury shall immediately remove the student from any activities that may result in a further risk of head injury (e.g., physical education, recess, athletic competition, etc.)
Examples of Implementation:	<p><i>Any school employee who suspects that a student has suffered a concussion, or otherwise seriously injured their head, neck or back, will immediately remove the student from the physical activity in order to reduce the risk of further injury.</i></p> <p><i>In some instances, the student should not be moved. Signs and symptoms of a possible head, neck, and/or back injuries are listed below. If you observe a student experiencing even one of these symptoms, the student MUST immediately be removed from all participation.</i></p> <p><i>If the Certified Athletic Trainer (ATC)/First Responder is available, contact him/her immediately so an evaluation can be performed. If the ATC/First Responder is not accessible, provide the following care. Please note that if the student is unconscious or has an altered level of consciousness, 911 should be called immediately.</i></p> <p><i>Signs of Head, Neck, and Back Injuries include:</i></p> <ul style="list-style-type: none"> ● <i>Change in consciousness</i> ● <i>Severe pain or pressure in the head, neck, or back</i> ● <i>Tingling or loss of sensation in the hands, fingers, feet, or toes</i> ● <i>Partial or complete loss of movement of any body part</i> ● <i>Unusual bumps or depressions on the head or over the spine</i> ● <i>Blood or other fluids in the ears or nose</i> ● <i>Heavy external bleeding of the head, neck, or back</i> ● <i>Seizures</i> ● <i>Impaired breathing as a result of injury</i> ● <i>Impaired vision (e.g., double vision) as a result of the injury</i> ● <i>Nausea or vomiting</i> ● <i>Persistent headache</i> ● <i>Loss of balance</i> ● <i>Bruising of the head, especially around the eyes or behind the ears</i>

<p>Resources:</p>	<p><u>Websites:</u></p> <p>Center for Disease Control - Heads-up Program - http://www.cdc.gov/headsup/pdfs/schools/tbi_schools_checklist_508-a.pdf</p> <p>North Carolina Emergency Guidelines for Schools - https://www2.ncdhhs.gov/dhsr/EMS/pdf/kids/guidelines.pdf</p> <p>BrainSteps Recommended Protocol - http://brainsteps.net/orbs/about/2_BrainSTEPS_Protocol.pdf</p> <p><u>Resources from other school districts:</u></p> <p>Cabarrus County Schools: http://www.cabarrus.k12.nc.us/Page/1044</p> <p>Charlotte-Mecklenburg Schools: Management of the Student Post-Concussion</p> <p>Wake County Public School System: WCPSS Management of Suspected Severe Injuries https://drive.google.com/open?id=0B4ilaeAe6nJ-RmtXcGRYRTRkR2c</p>
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2) Notification procedure to education staff regarding removal from learn(ing) or play;

Explanation:	<p>If a student has a diagnosed concussion, then <u>all</u> stakeholders in the student's education must be notified (e.g., teachers, coaches, administrators, etc.).</p> <p>This procedure should be in written form and accessible by all staff.</p>
Examples of Implementation:	<p><i>It is recommended that each school designate a professional to be the concussion contact for the school. This person facilitates the return to learn procedures. <u>This can be any professional in the school setting and they should be clearly identified by the school administration.</u></i></p> <p><i>Depending on the size of the school, a case manager may also be another useful role to designate. Potential duties of a case manager may be as follows:</i></p> <ul style="list-style-type: none"> • <i>Follow up with parent as needed to ensure student's needs are being addressed</i> • <i>Coordinate the development and follow-up of an Educational Plan of Care</i> <p><i>Whomever receives the initial notification of a student's diagnosed concussion should inform the designated concussion contact (e.g., parent provides initial documentation to school receptionist, who then immediately alerts the designated concussion contact at the school)</i></p> <p><i>Upon notification of a diagnosed concussion, the concussion contact immediately notifies the parent(s), teacher(s), and school nurse. Others should be notified (i.e., psychologist, coach, etc.) as needed. This written notification serves the following purposes:</i></p> <ul style="list-style-type: none"> • <i>Assignment of case manager</i> • <i>Informs others of concussion</i> • <i>Includes symptoms for parent(s) and teachers to watch for</i> • <i>Asks teachers to note needed accommodations/modifications</i> • <i>Lists recommendations from physician (if available)</i> • <i>Gives directions to contact concussion contact with questions/concerns</i>
Resources:	<p><u>Websites:</u></p> <p><u>BrainSteps Recommended Protocol</u> http://brainsteps.net/orbs/about/2_BrainSTEPS_Protocol.pdf</p> <p><u>BrainSteps Notification Flow Chart</u></p> <p><u>Resources from other school districts:</u></p> <p>Cabarrus County Schools: http://www.cabarrus.k12.nc.us/Page/1044FlowChart</p> <p>Wake County Public School System: WCPSS Assisting Students with a Concussion</p>

3) Expectations regarding annual medical care update from parents, medical care plan/school accommodations in the event of concussion;

<p>Explanation:</p>	<p>Annual medical care update: this is explained more fully in component (d) below.</p> <p>Medical Care Plan/ Educational Care Plan - The Return-to-School plan may represent different levels and duration of care including, but not limited to:</p> <ul style="list-style-type: none"> • monitoring of learning, emotional functioning and behavior across all school settings • targeted strategies to support learning and behavior - including reasonable periods of cognitive rest and physical restrictions (as guided by the medical professional involved) • a Medical Care Plan, or • other interventions, as deemed necessary for the student by the designated school-based team
<p>Examples of Implementation:</p>	<p><i>If the student is experiencing difficulties due to the concussion, development of an Educational and/or Medical Care Plan would occur. It is recommended that this occur via a face-to-face meeting.</i></p> <ul style="list-style-type: none"> - <i>Initiation and coordination of this meeting would involve the concussion contact and (if applicable) the case manager.</i> - <i>Suggested participants (if not already included as concussion contact and case manager) include: teacher(s), parent(s), school counselor, school nurse.</i> - <i>Others could include the student, school psychologist, coach, etc., as needed and appropriate.</i> <p>Medical Care Plan: <i>A document outlining the accommodations and modifications a student may need to address medical symptoms while recovering from a concussion. This plan is reviewed as often as necessary, (recommended - weekly).</i></p> <ul style="list-style-type: none"> - <i>The Medical Care Plan is led by the school-based health care professional.</i> - <i>The Medical Care Plan may also be referred to as the Individual Health Care Plan.</i> <p>Educational Care Plan: <i>A document outlining the supports that a student may need to address academic, emotional, and behavioral difficulties while recovering from a concussion. This plan is reviewed as often as necessary (recommended as frequently as the Medical Care Plan).</i></p> <ul style="list-style-type: none"> - <i>The Educational Care Plan is led by the designated school professional (may be the concussion contact or case manager designated at the school).</i>

Resources:	<p><u><i>Resources from other school districts:</i></u></p> <p>Cabarrus County Schools: CCS Return to Learn: Academic Accommodation Plan Following Concussion CCS Modifications Form</p> <p>Charlotte Mecklenburg Schools: Management of the Student Post-Concussion-CMS</p> <p>Wake County Public School System: WCPSS Assisting Students with a Concussion WCPSS Academic Plans of Care WCHS Medical Care Plan</p>
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4) Delineation of requirements for safe return-to-learn or play following concussion.

Explanation:	<p>If a concussion is diagnosed by a medical care provider, then appropriate steps should be taken to address that student's learning, emotional, and behavioral needs throughout the course of recovery. The continuum of support provided could include appropriate monitoring of recovery, academic and/or functional accommodations, or temporary removal from the formal classroom environment.</p> <p>Prolonged symptoms must be addressed in a manner that matches the student's needs to the level of intervention. If the Return-to-Learn Plan (Medical Care Plan, Educational Care Plan) is found to be insufficient in meeting the needs of a student <u>at any point</u> during the monitoring process, the <i>school-based problem solving team</i> should become involved in order to identify appropriate targeted interventions for the student.</p> <ul style="list-style-type: none"> - When possible, a School Psychologist who is certified as an approved provider for assessment of TBI, should be part of this decision-making process. <p><i>Please see Appendix A for a review of the current literature that guides return to learn timelines and decision making.</i></p>
Examples of Implementation:	<ul style="list-style-type: none"> • <i>The Educational Care Plan is reviewed as often as necessary, (recommended as often as the Medical Care Plan).</i> • <i>As a student progresses in recovery, decrease the intensity of the accommodations and modifications until the student has been symptom free without accommodations/modifications for two or more weeks. The plan can then be discontinued.</i> • <i>If an Educational Care Plan has been in place and proven insufficient in improving the educational (academic and/or functional) performance of the student, then the student should be referred to the school-based problem solving team for direct support specific to academic and/or functional needs.</i>

	<ul style="list-style-type: none"> • <i>For students with existing 504 plans/IEPs, these plans are not amended unless a student demonstrates a significant need in direct relation to their concussion.</i> • <i>If state testing accommodations are needed, the use of the transitory impairment procedure may be appropriate.</i>
Resources:	<p><u>Resources from other states:</u> BrainSteps flowchart</p> <p>Oregon http://cbirt.org/ocamp/resources/ Return to Academics http://media.cbirt.org/uploads/files/return_to_academics.pdf Plan of Accommodations http://media.cbirt.org/uploads/files/504_plan_ocamp.pdf</p> <p><u>Resources from other school districts:</u> Cabarrus County Schools: http://www.cabarrus.k12.nc.us/Page/1044 CCS Return To Learn CCS Modifications Form</p> <p>Charlotte Mecklenburg Schools: Management of the Student Post-Concussion-CMS</p> <p>Wake County Public School System: WCPSS Assisting Students with a Concussion WCPSS Academic Plans of Care WCPSS Academic Plan of Care How To PPT</p>

(b) In accordance with the LEA or charter school plan, each school must appoint a team of people responsible for identifying the return-to-learn or play needs of a student who has suffered a concussion. This team may include the student, student’s parent, the principal, school nurse, school counselor, school psychologist, or other appropriate designated professional.

Explanation:	If an Educational or Medical Care Plan is deemed necessary, this should be developed by a designated team of school-based professionals, the student’s parent(s)/guardian(s) and medical care providers in order to address the needs of that student as they progress through recovery.
Examples of Implementation:	<ul style="list-style-type: none"> • <i>The parent/guardian and designated Concussion Contact (or other designated school professional) are present in the development of the plan of care.</i> • <i>The student should be invited at the team’s discretion.</i>

	<ul style="list-style-type: none"> • <i>If the student's teacher(s) cannot be present when the plan is developed, input should be gathered prior to development.</i> • <i>Individuals that may also be consulted, but are not required members of the team, may include the school nurse, school counselor, school psychologist and/or a coach/athletic director.</i>
Resources:	<p><u>Resources from other states:</u> Oregon Concussion Management Team</p> <p><u>Resources from other school districts:</u> Cabarrus County Schools: Concussion Protocol</p> <p>Wake County Public School System: WCPSS Assisting Students with a Concussion WCPSS Concussion FAQ WCPSS Academic How To Plan of Care PPT WCPSS Academic Plan of Care</p>

(c) Each LEA and charter school must provide information and staff development on an annual basis to all teachers and other school personnel in order to support and assist students who have sustained a concussion in accordance with their learning and behavioral needs. This annual training should include information on concussion and other brain injuries, with a particular focus on return-to-learn issues and concerns.

Explanation:	<p>This annual updating will remind all school personnel of concussions and their impact on students' school functioning, the concussion policy, and the specific procedures developed by the school to implement the state concussion policy. This also will permit discussion of any needed changes to the district level procedures for assisting students who have sustained a concussion.</p>
Examples of Implementation:	<ul style="list-style-type: none"> • <i>Presentation contains information regarding:</i> <ul style="list-style-type: none"> ○ <i>What a concussion is and how it might manifest within the classroom</i> ○ <i>Roles and responsibilities of designated staff members</i> ○ <i>School procedures for return-to-learn</i> • <i>Presentation may be provided by student services at the beginning of each school year</i> • <i>Presentation might be delivered as schools are doing annual diabetes education or other annual education</i> • <i>Presentation may be delivered as an on-line tutorial for staff to watch at their convenience</i> • <i>Presentation of information as per the GWCA might also be included</i>

Resources:	<p><u>Websites:</u></p> <p>Gfeller-Waller Concussion Awareness Act http://gfellerwallerlaw.unc.edu/GfellerWallerLaw/gwlaw.html</p> <p>Center for Disease Control - Heads-up Program: http://www.cdc.gov/headsup/schools/index.html</p> <p>Dr. Mike Evans - Concussion management and return to learn: https://www.youtube.com/watch?v=_55YmbIG9YM</p> <p>American Academy of Neurology https://www.aan.com/concussion</p> <p><u>Resources from other states:</u></p> <p>Oregon http://cbirt.org/ocamp/resources/</p> <p>Nebraska http://biane.org/audience/concussion/concussiontraining/concussion-management-training.html</p> <p>Colorado https://www.colorado.gov/pacific/cssrc/concussion-traumatic-brain-injury http://www.cde.state.co.us/sites/default/files/documents/healthandwellness/download/brain injury/finalconcussionguidelines8.22.12.pdf</p> <p>BrainSteps http://brainsteps.net/#resources</p> <p><u>Resources from other school districts:</u></p> <p>Wake County Public School System: Concussion Presentation Signs and Symptoms Concussion FAQs</p>
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(d) Each LEA and charter school will include in its annual student health history and emergency medical information update a question related to any head injury/concussion a student may have incurred during the past year.

Explanation:	A system of collecting information annually must be installed by all LEAs and charter schools. Each LEA and charter school must determine how this information should be gathered and housed. If the update indicates a previously unknown head injury, this should initiate the notification process of return-to-learn procedures.
Examples of Implementation:	<ul style="list-style-type: none"> • <i>Most schools have a student information card/document completed annually by the parent/guardian that provided updated contact and emergency information.</i> <ul style="list-style-type: none"> ○ <i>On the annual student information card/document, a question regarding current medical needs or past history of concussion could be included. For example, "Has your student experienced a head injury of any kind (e.g., concussion) in the past year?"</i> • <i>The medical information page in PowerSchool may also be used for documentation.</i>
Resources:	<p><u>Resources from other states:</u> Health History Form W/ Concussion Included http://www.rockbridge.k12.va.us/documents/health/student_health_history_form.pdf http://www.manhassettschools.org/site/handlers/filedownload.ashx?moduleinstanceid=285&dataid=282&FileName=Health Appraisal Health History Code of Conduct 7-15.pdf</p>

APPENDIX A:**When to Consider Special Education Services for Children Who Sustain mTBI**

It is undeniable that the needs of students who have suffered a mild traumatic brain injury (mTBI) are not yet fully addressed in the public school system. (Gioia, Glang, & Hooper, 2015; Halstead et al., 2013; Yeates et al., 2009). Research about the trajectories of students experiencing mTBI should steer state-wide concussion management policy development. These outcomes remain somewhat controversial due to the variability in longitudinal clinical and epidemiological evidence (McKinlay, 2010; Yeates, 2010). As of yet, there is “strikingly little evidence to guide overall management of mTBI in children” (Gioia et al., 2015, p. 3). Furthermore, Carroll et al. (2004) suggested that further study is necessary to determine the optimal educational models for recovery.

Although TBI is an eligibility category under IDEA legislation, its utilization remains strikingly low considering the high levels of clinical reports of TBIs in children. According to some estimates, 90% of TBI cases are mild and one in five children experience mTBI before age 16 (McKinlay, 2010). By contrast, in 2013 on .04% of IDEA children were determined eligible under the TBI category (www.disabilitycompendium.org/statistics/special-education). In the general population the rate of long term disability varies with the severity of the TBI (Whiteneck, Cuthbert, Corrigan, & Bogner, 2014). The rate of long term disability after TBI that does NOT require hospitalization is as of yet unknown. However, evidence from across multiple studies suggests that up to 36% of people who have sustained mTBI continue to report symptoms beyond three months, post-injury (Jantz, 2015). These symptoms fall into cognitive, behavioral, and physiological deficits, but symptoms reported have a tendency to be “vague” (Jantz, 2015, p. 238). Importantly, there is no research specific to the school age population with regard to these symptoms or the rate of children whose educational impact is such to require special education services (Jantz, 2015).

This may be partially explained by the complexity of recovery in mTBI (Gioia et al., 2015). It is widely agreed upon that most symptoms are transient in nature and resolve within 3 months of injury (Carroll et al., 2004; Jantz, 2015; McKinlay, 2010; Yeates et al., 2009). Gioia, Gland, and Hooper (2015) point out that most students will need academic supports for three or fewer weeks. By contrast, there exists evidence documenting instances where symptoms do not resolve, such that this may even constitute a coherent syndrome, post-concussive syndrome (PCS) (Yeates, 2010). Research on the prevalence of post-concussive symptomology in children is limited at the current time and more longitudinal research is needed (McKinlay, 2010).

The question remains, how many students who have experienced an mTBI have subsequently been found eligible for special education? No research could be found during this brief review that fully answered this question. Some guidance documents mention timelines for referral for IEP, however. Broad consensus indicates that an IEP is reserved for issues that are considered chronic, long term, and persistent (Halstead et al., 2013; Jantz, 2015). In the context of mTBI, specifically, this would constitute symptoms that persist for 6 months. After this amount of time the initiation of Child Find obligations is necessary (Halstead et al., 2013; Jantz, 2015). Other documents were found that recommend shorter periods, however. The BrainSteps program of Pennsylvania recommends a BrainSteps team referral after 8 weeks, which may result in the recommendation of a full evaluation for an IEP. Guidance published by Georgia Department of Public Health (choa.org/concussion) recommends an IEP evaluation after 28 days (p. 23).

Due to a lack of research, it is unclear how many children who sustain mTBI are subsequently referred for IDEA eligibility. Guidance documents appear to recommend variable timelines for referral ranging from 28 days to six months. The consensus based on this limited review of the literature, that symptoms that persist longer than 6 months should be considered for IDEA eligibility. This may help to address what may be a significant under-identification of IDEA eligible people with TBI. The continued implementation of effective monitoring and school based infrastructure may potentially help our understanding and will contribute to more accurate surveillance of this critical situation in the future.

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