Office/Physical Arrangement:

- How many physical files are there?
  There are approximately 9000 files.
- Are all files (both active and inactive) housed in the office or is there an off-site storage unit? **They are all currently housed in the office.** How long do you keep physical files once they have become inactive? **We have attached the Board's record retention schedule which explain how long all files must be retained. Disciplinary (no action) files are required to be maintained for 3 years after resolution. Licensure files for individuals whose licenses have lapsed are required to be maintained for 3 years after the data is entered into the database.**
- Approximately how much space/square footage is required to house the application files? **Currently, they are housed in a 24 X 15 space.**
- How many telephone lines and numbers are required/requested?
  Currently, there are three telephone lines and this is what we would require.
- In what format will credentialing data be made available (Access File, online credentialing platform, etc?) **It is in file maker.**
- How many FTE's are currently employed to handle workload? **Currently, there is an Administrator, Deputy Administration and two other staff members. There is also a part time financial staff person.**

Financial:

- How is financial information stored and processed? **It is stored both electronically and in paper format.**
- Are you currently under contract with an outside accountant to prepare monthly compilation reports or is this a responsibility of contracted staff? **The financial staff member, who is an accountant, prepares monthly reports.**
- Are you currently under contract with an accounting firm for the purpose of conducting an annual audit?
  Yes, Shelton Hawley, CPA, conducts the audit.
- What is the Board's annual budget**? For 2013, income was $ 466,685, disbursements were $480,017.** Will you provide the last year-end financial report that shows an outline of all revenues and expenses? **Yes, we have provided a copy of the annual audit.**
- Are there currently any law suits in which the Board is involved? **No**

Staff Time:

- How frequently does the Board meet and where does it meet? **The Board typically meets four times per year in the Raleigh area. The Board may also schedule meeting via conference call, if necessary.**
- Does the Board sponsor an Annual Training Event or multiple training events each year? If so, how many per year and where? **No**
- How many Committees does the Board currently have? How often do they meet and where?

The Board has an ethics review committee which typically meets four times a year in Garner, where the current management company is located. The Executive Committee meets on an as needed basis.

- Would contracted staff be required to attend an Annual or semi-Annual Conference, etc? If so, what is the length of the conference and where is it held (and how frequently)? **On occasion, management company staff has attended the annual conference, which is typically three days, and is held in various locations around the United States.**
- Does the Board administer exams itself or is this handled by a contracted testing company? **The exam is not administered by the Board but through a testing company.**

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

Program Records Retention and Disposition Schedule

The Program Records Retention and Disposition Schedule and retention periods governing the records series listed herein are hereby approved. In accordance with the provisions of Chapters 121 and 132 of the General Statutes of North Carolina, it is agreed that the records of the

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

do not and will not have further official use or value for administrative, research, or reference purposes after the respective retention periods specified herein. The N.C. Department of Cultural Resources consents to the destruction or other disposition of these records in accordance with the retention and disposition instructions specified in this schedule. However, records subject to audit or those legally required for ongoing official proceedings must be retained until released from such audits or official proceedings, notwithstanding the instructions of this schedule. **Public records including electronic records not listed in this schedule or in the *General Schedule for State Agency Records* are not authorized to be destroyed.**

The

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

agrees to destroy, transfer or dispose of records in the manner and at the times specified herein. This schedule is to remain in effect until superseded.

APPROVAL RECOMMENDED

Jennifer Robertson, Administrator
N.C. Board of Licensed Professional Counselors

David Brook, Director
Division of Historical Resources

APPROVED

Christine Greene, Chairperson
N.C. Board of Licensed Professional Counselors

Linda A. Carlisle, Secretary
Department of Cultural Resources

February 19, 2009

AWH

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

ITEM 48357. NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS MINUTES FILE.

Official minutes of meetings of the board.

DISPOSITION INSTRUCTIONS: Transfer a duplicate copy of the official signed minutes to an off-site storage location after each meeting for security storage. Arrange for delivery of original minutes to the State Records Center after 1 year to be microfilmed. (Agency personnel should contact the Imaging Unit, Collection Management Branch, to arrange for transfer of original minutes for microfilming.) Paper records will be destroyed in the State Records Center after microfilming. After completion of microfilming and all quality control procedures, the original copy (silver-halide) of microfilm will be stored permanently in the Archives microfilm vault. Destroy duplicate copies in the off-site storage location after the original records have been microfilmed.

ITEM 48358. GENERAL CORRESPONDENCE FILE.

Records in paper and electronic formats of correspondence and memoranda received and/or written in the office concerning daily operations and inquires regarding licensing procedures.

DISPOSITION INSTRUCTIONS: Destroy in office paper and electronic records after 1 year.

ITEM 48359. BOARD CORRESPONDENCE FILE.

Records in paper and electronic formats of correspondence and memoranda written and/or received by the board concerning the implementation of the board's policies.

DISPOSITION INSTRUCTIONS: Print electronic records and interfile with related paper records. Destroy in office electronic versions of records when administrative value ends. Transfer paper records to the State Records Center after 3 years for immediate transfer to the custody of the Archives.

ITEM 48360. OATHS OF OFFICE FILE.

Records concerning oaths of office of board members. File also includes appointment letters of board members.

DISPOSITION INSTRUCTIONS: Retain in office permanently.

ITEM 48361. TAX AND AUDIT FORMS FILE.

Completed tax forms submitted to the Internal Revenue Service (IRS). File also includes annual audits.

DISPOSITION INSTRUCTIONS: Destroy in office after 7 years if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 48362. CORPORATIONS AND LIMITED LIABILITY COMPANIES FILE.

Records concerning licensed professional counselors who apply to form professional corporations, associations, or limited liability companies. File includes correspondence, applications for certificates of registration, articles of incorporation, and other related records. Data is entered into the Corporations and Limited Liability Companies Database (Electronic) File (Item 48392).

DISPOSITION INSTRUCTIONS: Destroy in office after 2 years.

ITEM 48363. DISCIPLINARY (NO ACTION) FILE.

Records concerning complaints and/or inquires involving the practice of counseling by licensed professional counselors that led to no action being taken by the board. File includes complaints, board decisions, and related correspondence. Data is entered into the Disciplinary Action Database (Electronic) File (Item 48393). (Comply with applicable provisions of 42 C.F.R. 2.1 and G.S. 122C-25 regarding the confidentiality of substance abuse patient records.)

DISPOSITION INSTRUCTIONS: Destroy in office 3 years after resolution of case if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 48365. NON-DISCIPLINARY ACTION FILE.

Records concerning complaints and/or inquires involving the practice of counseling by licensed professional counselors that led to non-disciplinary action by the board. File includes complaints, board decisions, and related correspondence. Data is entered into the Disciplinary Action Database (Electronic) File (Item 48393). (Comply with applicable provisions of 42 C.F.R 2.1 and G.S. 122C-25 regarding the confidentiality of substance abuse patient records.)

DISPOSITION INSTRUCTIONS: Destroy in office 5 years after resolution of case if no litigation, claim, audit, or other official involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 48366. DISCIPLINARY ACTION FILE.

Records concerning complaints and/or other inquires involving the practice of counseling by licensed professional counselors that led to disciplinary actions by the board. File includes complaints, board decisions, and related correspondence. File also includes, when applicable, hearing transcripts and exhibits. Data is entered into Disciplinary Action Database (Electronic) File (Item 48393). (Comply with applicable provisions of 42 C.F.R 2.1 and G.S. 122C-25 regarding the confidentiality of substance abuse patient records.)

DISPOSITION INSTRUCTIONS: Destroy in office hearing transcripts and exhibits when administrative value ends if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved. Destroy in office remaining records after entry into database and completion of all quality control procedures.

ITEM 48367. LICENSING (ACTIVE) FILE.

Records in paper and electronic formats concerning each currently licensed professional counselor. File includes applications, examination scores, transcripts, professional disclosure statements, supervised professional practice records, renewal documentation, correspondence, and other related records. (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.)

DISPOSITION INSTRUCTIONS: Transfer records of inactive licensed professional counselors to the Licensing (Lapsed) File (Item 48368) when license is expired or revoked. Transfer records of deceased licensed professional counselors to Licensing (Deceased) File (Item 48369) when officially notified that licensee is deceased. Destroy in office remaining records 3 years after data is entered into the Licensing Database (Electronic) File (Item 48394).

ITEM 48368. LICENSING (LAPSED) FILE.

Records concerning formerly licensed professional counselors whose licenses have been revoked or have expired due to failure to renew or retirement.

DISPOSITION INSTRUCTIONS: Destroy in office 3 years after data is entered into the Licensing Database (Electronic) File (Item 48394).

ITEM 48369. LICENSING (DECEASED) FILE.

Records concerning formerly licensed professional counselors who are now deceased. Data is entered into the Licensing Database (Electronic) File (Item 48394).

DISPOSITION INSTRUCTIONS: Destroy in office 3 years after receiving official notification of death of licensee.

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

ITEM 48370. APPLICATION (ACTIVE) FILE.

Records in paper and electronic formats concerning applicants wanting to acquire licensure as licensed professional counselors. File includes application requests, applications, examination scores, transcripts, professional disclosure statements, supervised professional practice records, and related correspondence. (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.)

DISPOSITION INSTRUCTIONS: Destroy in office paper and electronic records of requests for applications after 2 years. Transfer paper and electronic records of applicants who obtained licensure to the Licensing (Active) File (Item 48367). Transfer remaining paper and electronic records to Application (Denied) File (Item 48371).

ITEM 48371. APPLICATION (DENIED) FILE.

Records in paper and electronic formats concerning applicants wanting to acquire licensure as a licensed professional counselor, but have been denied due to exceeding the time limit, record number of examination failures, or were denied licensure by board action. File includes requests, applications, examination scores, transcripts, professional disclosure statements, supervised professional practice records, and related correspondence. (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.)

DISPOSITION INSTRUCTIONS: Destroy in office paper and electronic records after 5 years.

ITEM 48372. EXAMINATION AND LICENSURE CORRESPONDENCE FILE.

Correspondence and inquires concerning licensure as licensed professional counselors in North Carolina. File includes examinations, requests, and other related records.

DISPOSITION INSTRUCTIONS: Destroy in office examination records after 3 years. Destroy in office remaining records after 1 year.

ITEM 48392. CORPORATIONS AND LIMITED LIABILITY COMPANIES DATABASE (ELECTRONIC) FILE.

Electronic records concerning professional corporations, associations, and/or limited liability companies. Electronic file includes correspondence, applications for certificate of registration, articles of incorporation, and other related data. Data is entered into this database form Corporations and Limited Liability Companies File (Item 48362). (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.) (File maintenance and backup procedures are conducted by LAN administrator.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Destroy in office 3 years after dissolution of the professional corporation, association, or limited liability company by the Secretary of State.

ITEM 48393. DISCIPLINARY ACTION DATABASE (ELECTRONIC) FILE.

Electronic records concerning complaints and/or inquiries involving the practice of counseling by licensed professional counselors. Electronic file includes complaints, board decisions, and related correspondence. Electronic file also includes hearing transcripts and exhibits. Data is entered into this database from Disciplinary (No Action) File (Item 48363), Non-Disciplinary File (Item 48365), and Disciplinary Action File (Item 48366). (Comply with applicable provisions of 42 C.F.R 2.1 and G.S. 122C-25 regarding the confidentiality of substance abuse patient records.) (File maintenance and backup procedures are conducted by LAN administrator.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Retain in office permanently.

ITEM 48394. LICENSING DATABASE (ELECTRONIC) FILE.

Electronic records concerning active licensed professional counselors, lapsed licensed professional counselors, and deceased licensed professional counselors. Electronic file includes applications, examination scores, transcripts, professional disclosure statements, supervised professional practice records, renewal documentation, correspondence, and other related data. Data is entered into this database from the Licensing (Active) File (Item 48367), Licensing (Lapsed) File (Item 48368), and Licensing (Deceased) File (Item 48369). (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.) (File maintenance and backup procedures are conducted by LAN administrator.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Retain in office permanently.

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

Financial Statements and Supplemental Schedule for the Year Ended June 30, 2013 and Independent Auditor's Report

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

Financial Statements and Supplemental Schedule for the Year Ended June 30, 2013 and Independent Auditor's Report

BOARD MEMBERS (2013)

Denauvo Robinson, EdD, LPC, Chairperson

Christine Greene, LPC, Vice Chairperson

Laura Jamerson, Treasurer (Public Member)

Arthur F. Costantini, PhD (Public Member)

Samuel T. Gladding, PhD, LPC

Katherine H. Glenn, PhD, LPC

Gwendolyn Newsome, PhD, LPC

BOARD ADMINISTRATOR

Beth Holder

LEGAL COUNSEL

North Carolina Attorney General's Office

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

TABLE OF CONTENTS

	Page
MANAGEMENT'S DISCUSSION AND ANALYSIS	1-2
INDEPENDENT AUDITOR'S REPORT	3-4
FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013	
Statement of Net Position	5
Statement of Revenues, Expenses and Changes in Net Position	6-7
Statement of Cash Flows	8-9
Notes to Financial Statements	10-14
SUPPLEMENTAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2013	
Schedule of Receipts and Disbursements - Modified Cash Basis	15-16

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Board's financial report represents Management's analysis of the Board's financial performance during the year ending June 30, 2013. Please read it in conjunction with the financial statements which follow this section.

Financial Highlights

During 2013, the Board's net position decreased by $100,890, or 53.5%, due primarily to an increase in operating expenses.

During 2013, the operating revenues of the Board increased by $12,220, or 3.3%, due primarily to an increase in individual licensing/application fees.

During 2013, the non-operating revenues of the Board increased by $93, or 5.9%, due to the fact that no loss on disposition of capital assets occurred during the 2013 year. Interest income decreased during 2013 due to a decrease in cash on hand and due to a decrease in interest earning rates.

During 2013, the operating expenses of the Board increased by $55,941, or 12.9%, due primarily to an increase in administrative fees, legal fees, and website expenses.

Overview of the Financial Statements

This financial report consists of two sections: Management's Discussion and Analysis and the Financial Statements. The Board has no supplementary information required by Governmental Accounting Standards Board (GASB) Statement No. 34, however, the Board has included supplementary financial information for its own management purposes. The Financial Statements also include notes to the financial statements that provide detail of the information included in the financial statements.

Basic Financial Statements

The financial statements of the Board report information about the Board using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about the activities of the Board.

The Statement of Net Position presents the current and long-term portions of assets and liabilities separately.

The Statement of Revenues, Expenses, and Changes in Net Position presents information on how the Board's assets changed as a result of its operations.

The Statement of Cash Flows presents information on how the Board's cash changed as a result of its financial activities.

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Condensed Financial Information

The following presents condensed financial information on the operations of the Board:

	Current Year as of and for the year ended June 30, 2013
Current assets	$ 474,419
Capital assets	19,679
Total assets	$ 494,098
Current liabilities	$ 406,468
Total liabilities	$ 406,468
Investment in capital assets	$ 19,679
Unrestricted	67,951
Total net position	$ 87,630
Operating revenues	$ 388,123
Operating expenses	(490,686)
Operating income	(102,563)
Non-operating revenues	1,673
Change in net position	$ (100,890)

Events Affecting Future Operations

The Board has indicated it has no significant events affecting future operations which are reportable pursuant to GASB 34.

Contacting the Board's Management

This financial report is designed to provide a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. If you have any questions about this report or need additional information, contact: North Carolina Board of Licensed Professional Counselors, PO Box 1369, Garner, NC 27529.

Shelton L. Hawley, CPA, PA
Certified Public Accountant

Suite B1
800 N. Raleigh St.
P.O. 1545
Angier, North Carolina 27501-1545

Telephone: (919) 639-4825
Facsimile: (919) 639-3102

INDEPENDENT AUDITOR'S REPORT

Members of the Board
North Carolina Board of Licensed Professional Counselors
Garner, North Carolina

Report on the Financial Statements

I have audited the accompanying financial statements and the related notes to the financial statements as listed in the table of contents of the North Carolina Board of Licensed Professional Counselors (the "Board"), an agency of the State of North Carolina, as of June 30, 2013.

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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 judgement, 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 of 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the North Carolina Board of Licensed Professional Counselors as of June 30, 2013, and the results of its operations, changes in financial position, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT (CONCLUDED)

Management's Discussion and Analysis - Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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 historic context. I 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 I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the supplementary information because the limited procedures do not provide sufficient evidence to express an opinion or provide any assurance thereon.

Other Supplemental Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Receipts and Disbursements - Modified Cash Basis is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, I do not express an opinion or provide any assurance thereon.

Shelton L. Hawley, C.P.A., P.A.

Shelton L. Hawley, C.P.A., P.A.

Angier NC

October 4, 2013

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS
STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2013

	June 30, 2013
	Proprietary-Enterprise Fund
ASSETS	
Current assets:	
Cash in banks (Note 2)	$ 247,079
Cash in State Treasurer (Note 2)	183
Investments (Note 2)	200,175
Accrued interest receivable (on investments)	378
Prepaid expenses (Note 1)	26,604
Total current assets	474,419
Capital assets (Note 1):	
Office equipment	19,679
Total capital assets - net of depreciation	19,679
TOTAL ASSETS	$ 494,098
LIABILITIES AND NET POSITION	
Current liabilities:	
Accounts payable	$ 4,136
Due to other state agencies	3,632
Deferred revenue (Note 3)	398,700
Total current liabilities	406,468
TOTAL LIABILITIES	406,468
NET POSITION (NOTE 4)	
Net investment in capital assets	19,679
Unrestricted net position	67,951
TOTAL NET POSITION	87,630
TOTAL LIABILITIES AND NET POSITION	$ 494,098

See notes to financial statements.

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2013

	2013 Proprietary-Enterprise Fund
OPERATING REVENUES:	
Individual renewal fees	$ 238,200
Individual licensing/application fees	114,300
Corporate licensing and renewal fees	14,900
Late fees	14,400
Verify fees	770
Other license related fees	1,120
Other revenue	4,433
Total operating revenues	$ 388,123
OPERATING EXPENSES:	
Dues and subscriptions	$ 800
Website expenses	13,413
Legal services	44,597
Printing	2,979
Depreciation	11,039
Office supplies	2,776
Service agreements and maintenance - office equipment	6,316
Contracted management services - administrative fees (Note 5)	327,472
Contracted services - auditor	4,605
Contracted services - computer support services	428
Other contracted services	10,278
Bank charges	183
Credit card discount fees	3,947
Board meeting and hearing expenses	711
Telephone/fax	1,730
Postage	7,843

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2013

	2013
	Proprietary-Enterprise Fund
OPERATING EXPENSES (CONTINUED):	
Travel expenses - board members and staff	12,622
Per diem - board members	18,300
Conference registrations - board members and staff (including sponsorship)	4,580
Lodging - board members and staff	10,861
Meals - board members and staff	5,206
Total operating expenses	$ 490,686
Operating income (loss)	$ (102,563)
NON-OPERATING REVENUES (EXPENSES):	
Interest income	$ 1,673
Total non-operating revenues	1,673
Change in net position	$ (100,890)
Net position - beginning of year	188,520
Net position - end of year	$ 87,630

See notes to financial statements.

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2013

	2013 Proprietary-Enterprise Fund
Cash flows from operating activities:	
Cash received from fees and other revenues	$ 464,933
Cash payments for operating expenses	(479,568)
Net cash provided by operating activities	$ (14,635)
Cash flows from investing activities:	
Transfers (to) from investments	$ 85,550
Interest on investments	1,760
Net cash provided by investing activities	$ 87,310
Cash flows from capital and related financing activities:	
Principal payment(s) on loan	$ (457)
Net cash used in capital and related financing activities	$ (457)
Net increase in cash	$ 72,218
Cash - beginning of year	175,044
Cash - end of year	$ 247,262

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2013

	2013 Proprietary-Enterprise
Reconciliation of operating income to net cash provided by operating activities:	
Operating income (loss)	$ (102,563)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	$ 11,039
Changes in assets and liabilities:	
Prepaid expenses and other assets	(595)
Accounts payable	1,284
Deferred revenue	76,200
Total adjustments	$ 87,928
Net cash provided by operating activities	$ (14,635)

See notes to financial statements.

Note 1 - Nature of Activities and Significant Accounting Policies

Description of Organization

The North Carolina Board of Licensed Professional Counselors (the "Board") is an independent State agency. It is an occupational licensing board and is authorized by Chapter 90 of the North Carolina General Statutes. The Board is a component unit of the State of North Carolina and is exempt from federal and state income taxes. The Board is composed of seven members who are appointed by the Governor of the State of North Carolina.

The Board is established to maintain minimum standards for services provided by licensed professional counselors.

The Board's operations are financed with self-generated revenues from fees charged to examinees and licensees.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards. The Board applied all applicable Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989.

All activities of the Board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Reporting Entity

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of North Carolina because the State exercises oversight responsibility in that the Governor appoints the Board members, and public service is rendered within the State's boundaries. The accompanying financial statements present only the activity of the North Carolina Board of Licensed Professional Counselors.

Basis of Accounting

In accordance with *Statement of Governmental Accounting Standards 34*, the Board herewith presents a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows. These statements reflect entity-wide operations of the Board. The Board has no fiduciary funds or component units.

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

The Statement of Revenues, Expenses, and Changes in Net Position demonstrate the degree to which the direct expenses of the Board are offset by license fees.

The financial statements report all activities of the North Carolina Board of Licensed Professional Counselors using the current financial resource measurement focus and the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recognized when incurred, if measurable.

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Board. Operating revenues consist primarily of license fees. Non-operating revenues and expenses consist of those revenues and expenses that are related to investing activities and are classified as non-operating in the financial statements.

Cash in banks

This classification includes undeposited receipts, petty cash, checking accounts and time deposits (excluding certificates of deposit) held by the Board.

Cash in State Treasurer

This classification consists of deposits with the State Treasurer of North Carolina.

Investments

This classification consists of certificates of deposits held by the Board for investment.

Fair value of financial instruments

The carrying amounts of the Board's financial instrument's approximate their fair value.

Prepaid expenses

This classification includes prepaid management services.

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Capital Assets

Property and equipment are stated at cost and are being depreciated over their useful lives on a straight-line basis. The Board capitalizes assets that have a value or cost of $500 or greater at the date of acquisition and an estimated useful life of more than one year. A summary follows:

	Cost 06-30-12	Acquisitions	Disposals	Cost 06-30-13	Accumulated Depreciation	Net Amount
Office equipment	$ 63,892	$ -	$ -	$ 63,892	$ 44,213	$ 19,679
	$ 63,892	$ -	$ -	$ 63,892	$ 44,213	$ 19,679

When an asset is disposed of, the cost of the asset and the related accumulated depreciation are removed from the books. Any gain or loss on disposition is reflected in earnings for the period.

Use of Estimates

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

Note 2 - Deposits and Investments

Deposits in banks

The Board's deposits which are uninsured are voluntarily collateralized by the financial institution holding said deposits. This voluntarily collateralization is not required by North Carolina General Statutes, and the enforceability of this collateralization is a matter of legal interpretation. For deposits, custodial credit risk is the risk that in the event of the failure of the depository (or counterparty), the Board will not be able to recover the value of its deposits that are in the possession of the outside party. The Board does not have policies regarding custodial credit risk for deposits.

At June 30, 2013, the Board's deposits in banks had a carrying amount (including undeposited receipts) of $447,254 and a bank balance of $432,182, of which $250,000 was covered by federal depository insurance, and $182,182 was uninsured and uncollateralized. Certificates of deposit in the amount of $200,175 are considered time deposits for this disclosure and are classified as investments on the Statement of Net Position.

Note 2 - Deposits and Investments (Continued)

Deposits in State Treasurer Short Term Investment Fund (STIF)

Pursuant to North Carolina General Statute 147-69.3(b), the Board voluntarily holds deposits with the North Carolina Short Term Investment Fund (STIF). Disbursements, if used, are through the issuance of warrants by the Board. Investments of the Short Term Investment Fund are limited to those authorized for the State's General Fund, generally high quality money market investments and US Government/agency securities. FDIC insurance and deposit collateralization rules do not apply.

Deposit and investments risks associated with the State Treasurer's Investment Pool (which includes the State Treasurer's Short-Term Investment Fund) are included in the State of North Carolina's Comprehensive Annual Financial Report. An electronic version of the financial report is available by accessing the North Carolina Office of the State Controller's internet home page, www.ncosc.net, and clicking on "Financial Reports", or calling the State Controller's Financial Reporting Section at (919) 707-0500.

At June 30, 2013, the Board's deposits with the State Treasurer STIF account had a carrying value, fair market value and a bank balance of $183.

Investments

At June 30, 2013, the Board had the following investments and maturities.

Investment Type	Fair Value	6-12 Months	Over 12 Months
Certificate of Deposit	$ 100,175	$ 100,175	$
Certificate of Deposit	100,000	100,000	
Total	$ 200,175	$ 200,175	$ 0

Interest rate risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the Board limits its investment in certificates of deposits to maturities of no more than 36 months.

Credit risk - State law limits the investments of the Board to certain types of investments, however the Board's present policy for managing credit risk is to limit its investments to certificates of deposits.

Custodial credit risk - For an investment, custodial credit risk is the risk that in the event of the failure of the depository (or counterparty), the Board will not be able to recover the value of its investments that are in the possession of the outside party. The Board does not have policies regarding custodial credit risk for investments.

Concentration of credit risk - The Board places no limit on the amount that it invests with any one issuer, however Board management has attempted to maximize FDIC coverage by depositing its certificates of deposit with the Certificate of Deposit Account Registry Service (CDARS).

Note 3 - Deferred Revenue

The Board's fees are assessed and collected on both an annual and a biennial basis, some of which correspond with the Board's accounting period and some of which correspond with the calendar year. License renewal fees received in the latter part of the fiscal year are deferred and recognized (when calculable) as revenue over the periods to which they relate. This reporting method reasonably reports revenues as earned.

Note 4 - Net Position

Investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any loan proceeds that are attributable to the acquisition, construction, or improvement of those capital assets.

Restricted net position - This component of net position consists of net position which the Board is legally or contractually obligated to spend in accordance with restrictions imposed by external parties. The Board had no restricted net position.

Unrestricted net position - This component of net position consists of net position that does not meet the definition of *restricted or investment in capital assets.*

Note 5 - Contracted Management Services

The Board does not have employees. The Board contracted with management service companies to provide services for the Board. The contracts included all services related to the process of licensure application and renewal and various other clerical duties. The Board also reimbursed the management services for additional contract labor, printing, copying, postage and miscellaneous office supplies and expenses. Payments to the management services totaled $345,285 during the fiscal year ended June 30, 2013.

Note 6 - Risk Management

The Board is exposed to various risks of loss related to torts; theft of, damage to, and the destruction of assets; errors and omissions; injuries to employees (if applicable); and natural disasters. These exposures to loss are handled by participation in certain state-administered risk programs and self retention of certain risks. The Board has not purchased any commercial insurance coverage.

Note 7 - Contingencies

The Board is involved in occasional disciplinary hearings throughout the year which arise in the ordinary course of its operations. In the opinion of management of the Board, the results of such actions during the year under audit do not materially affect the Board's operations, changes in financial position, or cash flows for the year herein ended.

Note 8 - Subsequent Events

Subsequent events have been evaluated through October 4, 2013, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2013

	2013 Proprietary-Enterprise Fund
RECEIPTS:	
Individual renewal fees	$ 314,700
Individual licensing/application fees	114,300
Corporate licensing and renewal fees	15,400
Late fees	14,400
Verify fees	770
Other license related fees	1,120
Interest income	1,760
Other income	4,235
Total receipts	$ 466,685
DISBURSEMENTS:	
Website expenses	$ 11,490
Legal services	44,541
Printing	2,979
Payments on note payable	249
Office supplies	3,012
Service agreements and maintenance - office equipment	6,316
Contracted management services - administrative fees	329,477
Contracted services - auditor	4,605
Contracted services - computer support services	428
Other contracted services - miscellaneous	9,998
Bank charges	183
Credit card discount fees	4,756
Board meeting and hearing expenses	711

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2013

	2013 Proprietary-Enterprise Fund
DISBURSEMENTS (CONTINUED):	
Telephone/fax	1,669
Postage	8,534
Travel expenses - board members and staff	12,622
Per diem - board members	18,300
Conference registrations - board members and staff (including sponsorship)	4,080
Lodging - board members and staff	10,861
Meals - board members and staff	5,206
Total disbursements	$ 480,017
Receipts in excess of disbursements	$ (13,332)
Change in cash	$ (13,332)
Cash and investments - beginning of year	460,769
Cash and investments - end of year	$ 447,437

We are seeking answers to the following questions in order to provide an appropriate bid the RFP Number LPC 2014-01.

Question Number	Vendor Name	RFP Section No.	RFP Page Number	Question
1		2.30	9	Is the Administrator/Executive Director position currently filled, and does the Board desire to retain this individual for the new contract? (Non-displacement of current staff member) **This position is currently filled through the current management company, but it is not required that this person be retained.**
2		4.1.1	11	Section 3 – Are the computers, software, and phone systems cost to be included in the administrative services fee? **Yes.**
3		4.1.4	12	The personnel cited includes: 1. Board Administrator/Executive Director, 2. Two additional staff persons, and 3. "At least one other staff members shall be responsible for accounting services… The Board will not share these three full time staff with other clients…" Does this mean there are currently three (3) full time dedicated staff positions and one (1) shared accounting person? **Yes.** Does the Board have three or four dedicated staff members? **Yes, under the current contract it has four staff members.**
4		4.1.4	12	Are the 2-3 staff positions (Not the Administrator/Exec Director) currently filled and does the Board desire to retain the services of these individuals on the new contract? **These positions are currently filled under the current contract, but are not required to be retained.**
5		6.2	14	Has the Board been involved in establishing compensation rates for staff personnel in the past? **No, the Board has not been involved.** Does the Board desire involvement/approval of compensation rates for personnel in the future for budgetary purposes? **This is not**

				necessary.
6		6.3	14	What is the percentage escalation rate of price increases has the Board experienced over the past 3 years? **The contractual cost increased $2000 per month over the past three years. There was a $1000 per month increase after the first year and then another $1000 per month increase after the second year.**
7		8.2 (Attachment A)	16 (19)	Does the Board require the Monthly Fee Amount to be quoted to contain all costs associated with dedicated staff who serve the Board exclusively? (This would include all pay, taxes, insurances, benefits, etc…) **Yes.** To provide an accurate Monthly Fee amount, the vendor will need to have historical information on personnel expenses for the Executive Director/Administrator and the 2-3 dedicated staff persons. **Under the current contract, the Board pays the monthly contracted rate and the management company determines salary. We have provided a copy of the current contract with the current management company.** Please provide yearly and/or monthly personnel expenses associated with delivery of this management contract, and the numbers of personnel utilized by the Board. **This question has been answered previously.**

AGREEMENT FOR SERVICES
between
THE NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS
and
MANAGEMENT CONCEPTS, INC.

State of North Carolina
County of Wake

This Agreement for Services effective **July 1, 2011** and extending through **June 30, 2014,** between the North Carolina Board of Licensed Professional Counselors, hereinafter referred to as NCBLPC and Management Concepts, Inc., hereinafter referred to as MCI, witnesseth:

WHEREAS MCI specializes in professional management and administration; and

WHEREAS, to achieve the objectives of the NCBLPC, both parties desire to enter into a relationship;

NOW, THEREFORE, in consideration of the mutual promises of the parties and the mutual benefits they will gain by the performance thereof, all in accordance with the promises hereinafter set forth,

IT IS THEREFORE AGREED:

A.) This agreement shall be effective **July 1, 2011** and shall remain in force and effect through **June 30, 2014**, unless terminated for cause only by either party earlier by a 90-day written notice to MCI's President or NCBLPC's Board Chairperson.

B.) The professional management services set forth and agreed upon by both NCBLPC and MCI will be as follows:

1. HEADQUARTERS: The NCBLPC will maintain a P.O. Box as a mailing address. MCI will provide the physical facilities to house the NCBLPC operation to include an office facility with adequate space for the NCBLPC assigned staff, files, equipment, in-house storage, and off-site storage.

2. **DATA MANAGEMENT/MAINTENANCE/WEBSITE LICENSEE UPDATES :** MCI will maintain and manage current and accurate files on all licensees, former and current, as well as files on applications for licensure. Data on potential licensees will be maintained as information is mailed. Forms and letters required will be mailed relative to licensure and renewal. Applications and license renewal materials will be processed by the NCBLPC assigned staff associates on a timely basis. Certified mail will be utilized where appropriate.

Data will be maintained in hard files as well as electronic files where information is updated weekly and stored offsite for protection of NCBLPC data.

3. **ADMINISTRATIVE SERVICES**: MCI will provide the NCBLPC with a minimum of 3.5 FTEs to adequately and professionally handle the current day-to-day administrative requirements of the NCBLPC. In addition to these staff representatives, MCI will acquire additional staff when needed to ensure the business of the board is handled in an effective, efficient, and professional manner. MCI may increase the amount of the management fee if it determines that such an increase is justified based on the need for additional staff above and beyond current needs. The amount of the increase will be computed based on the time it will take MCI staff to adequately and effectively perform the tasks required. Board approval will be sought no less than thirty (30) days prior to the effective date of any increase. MCI may also invoice any fees for additional staffing on an as needed basis for no less than $15.00/hr as approved by the board. *Job descriptions will be prepared for all positions assigned to the NCBLPC and will be available to all board members.*

4. **FINANCIAL MANAGEMENT**: MCI will provide the NCBLPC with adequate staff for preparation of quarterly income and expense reports and monthly billings. The staff representative will forward the billings to the Treasurer for approval and payment. Deposits will be made to the appropriate account (s) for the NCBLPC. Source of income will be identified and sent to the accountant. These financial reports will be used for the year-end reporting requirements in preparation of the annual audit. Certified Public Accountant fees are not included in this contract but are done by separate contract between the NCBLPC and its chosen CPA firm.

5. **ANNUAL REPORTING REQUIREMENTS/AUDIT:** NCBLPC staff representatives will fulfill all reporting requirements as mandated by the State of North Carolina, maintain copies, and forward reports to the appropriate entities. Staff will work with the NCBLPC Contracted CPA firm to ensure the annual audit of financial records is performed in conjunction with the items requested in the auditor's contract. The auditor will perform the audit at the NCBLPC headquarters with staff assistance as required. Certified Public Account fees are not included in this contract but are done by separate contract between the NCBLPC and its chosen CPA firm.

6. **MEETINGS OF THE BOARD**: NCBLPC staff representatives will attend NCBLPC's board meetings up to 6 times per year, will prepare an agenda as directed

by the Board Chairperson, take minutes of the meeting, and distribute them to the Board. All follow-up assignments from each board meeting will be handled in a timely manner by the staff representatives. Board Manuals will be updated prior to each meeting and the staff will secure a court reporter when required for hearings. Court Reporter fees are not included in this contract. Any additional meetings will be charged to the board at a rate of $200 per incident.

7. **ADDITIONAL MEETINGS:** At the direction of the Board, staff representatives will attend in and out-of-state meetings as outlined. This includes but is not limited to speaking and presenting on behalf of the Board for the purpose of promoting education on the licensure process. Speaking and presenting will be limited to 4 events per year and attendance at other meetings for up to 2 events per year. Any additional speaking, presenting, or event attendance will be charged to the board at a rate of $500 per incident.

8. **DOCUMENT AND INFORMATION REVISONS:** At the direction of the Board, staff will revise the Board's retention schedule. Statute changes and Rules review will be coordinated by the staff at the Board's direction. The coordination of statute changes and rules review will not include typing or writing of the changes. Typing and writing of any statute changes or rules review may be negotiated separately on an as-needed basis.

9. **EXPENSES DIRECTLY RELATED TO NCBLPC WHICH ARE NOT INCLUDED IN THE ADMINISTRATIVE FEE FOR SERVICES NOTED ABOVE INCLUDE:**

-Printing/typesetting
-Long distance telephone calls, monthly base rate, data services
-Website hosting services
-Website content revisions/creation
-Copying : Flat Fee of $ 400.00 per month (this fee is not part of this contract)
-Postage
-Office supplies
-Paper (letterheads, envelopes, copy paper, mailers, certificates, etc.)
-Accounting, Audit, taxes, complying with subpoenas relative to duplication costs and court reporting services
-Staff Travel expenses as follows:
  Mileage – at current IRS allowance
  Meals – based on current State Budget allowances
  Lodging
  Perdiem – based on current State Budget allowances for overnight travel only.
-Other expenses as authorized by the NCBLPC

10. **THE FOLLOWING ITEMS REPRESENT THE PROPERTY OF NCBLPC:**
-Database information of licensees

-All supplies, materials, equipment, software, and other items that have been purchased with NCBLPC funds, including, but not limited to 1 laptop computer for administrator, 1 laptop computer for legal counsel, file cabinets, and file folders.

11. RENEWAL: This agreement will be reviewed 90-days prior to the expiration date and arrangements for renewal or cancellation will be outlined at that time.

This document is entered into as an official agreement between the *NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS and MANAGEMENT CONCEPTS,* INC., to become effective July 1, 2011 and extend through June 30, 2014.

The monthly fee for services will be according to the following schedule:

The fee for the period July 1, 2011 thru June 30, 2012 will be **$24,598.75**;
The fee for the period July 1, 2012 thru June 30, 2014 will be **$25,828.69;**
The fee for the period July 1, 2013 thru June 30, 2014 will be **$26,603.55.**

Monthly fees are due on the first of each month. ***Availability of Funds:*** *The parties to this contract agree and understand that the payment of the sums specified in this contract is dependent and contingent upon and subject to the availability of funds available to the Board through its fee receipts.*

Signed this _____ day of _____ in 2011.

_____

LoriAnn Stretch, Board Chairperson
North Carolina Board of Licensed Professional Counselors

_____

P. Shaun Barbour, President & CEO
Management Concepts, Inc.

Questions Regarding RFP Number LPC 2014-01

Question Number	Vendor Name	RFP Section Number	RFP Page Number	Question
1		2.4	5	It is anticipated that website development, construction, revision would require services of person trained in this, but not a 'regular' staff member. ***Could clarifying language be inserted that the vendor (WRN) would not be considered in breach of meeting performance standards if the time frame it takes for board to approve a sub-contract for the website impacts the time-line for completion of changes (i.e. on-line applications).*** **Yes, this is fine.**
2		2.10	7	***Could an objective definition of satisfactory be inserted?*** **Rationale:** While I have no doubt that work would be satisfactory, there is no protection for the vendor, who in good faith, produces work but would in effect be in the position of not being paid should the Board subjectively determine work not satisfactory or just wants to go in another direction. **Yes, this is fine.**
3		2.11	7	***Could an objective definition of satisfactory be inserted, how are breach and excess cost determined?*** **Rationale:** This in effect, as currently constructed obligates vendor to pay for other management with no defining of limit of liability or length of time vendor would be obligated. A vendor cannot, just as the board cannot, expose itself to open-ended liability. **Yes, this is fine.**
4		2.12	7	***Is 'provider' the same as 'vendor' for purposes of this contract?*** **Yes.**
5		2.13	7	***Could language be inserted to afford protection for the vendor as well should the Board default or not have funds available?*** **Rationale:** If board does not have funds, then it constitutes breach on their part and vendor is no longer obligated to provide services beyond a reasonable time frame (i.e. the 30 days for notification). As it stands now, vendor technically has no recourse if not paid for services. **Yes, this is fine.**
6		2.13	7	***Is the Board amenable to vendor having contract reviewed and discussed with vendor's independent legal counsel?*** **Yes, this is fine.**
7		2.23	8	***Is the record retention policy three years and can the Board provide clarification of a time frame for delivery post contract and release vs. delivery definition as well as clarify the expense of moving materials to a new vendor is a board, not vendor expense?*** **We have attached a copy of the record retention policy. Moving would be a Board expense.**
8		2.29	9	***Does the Board anticipate that current staff/management will be able to provide materials and information transfer in a timely and usable format?*** **Yes, that is the expectation.**

9		2.29	9	***Will current staff be available/amenable to providing transition information and review of materials and needs?*** **Yes, that is the expectation.**
10		2.30	9	***Is there allowance for contract language adjustment regarding definition of key personnel?*** **Rationale:** This provision, as currently constructed, has potential to be in conflict with Page 5, 2.3 (Independent vendor). An individual contract relationship with the Board is implied if the Board has jurisdiction over hiring or replacing as noted on page 9 (2.30). This is noted because I would definitely be described as key personnel, but would not work exclusively for LPC Board. However, I have identified qualifications needed and two potential candidates for two full time staff (without disclosing any information as to who the potential client may be). My primary responsibility with transition and set-up (along with regular monitoring) would be to direct and determine, in conjunction with the Board, the procedures/best practices required. But, as their direct supervisor and the company owner, would have to be able to replace if necessary. **Yes, the Board would be open to this.**
11		2.34	10	***Would vendor be able to list Board as a client on its company website?*** **Yes.**
12		4.1.1.1	11	***Would Board consider PO Box <u>in addition</u> to street address?*** **Rationale:** Would provide better control over timely receipt of mail as post office would have mail boxed by 10:30am each day vs. a variable street delivery time. This would also allow for efficiency in scheduling staff for peak times. Depending upon deadlines, there may be times staff needs to work on weekends and mail delivery would be more consistent. PO Box would be primary delivery address, but street address for Fed Ex., etc. would be available. **Yes, this is fine.**
13		4.1.1.1	11	***Has there been a determination of amount of storage space (on and off-site) needs and does the Board consider off-site storage a reimbursable expense?*** **It would need to be on site and sufficient to store approximately 9000 files. This would be an expense that is part of the contract.**
14		4.1.1.3	11	***Is there any office equipment, software or furniture owned by the board that will transfer?*** If so, an approximate listing of primary equipment would help in determining financial investment needed to equip the office. **You would need to provide furniture, there are some computers and filing cabinets that would be transferred.**
15		4.1.1.4	11	***Will the Board allow for computer based fax service vs. needing a separate phone line and machine?*** **Rationale:** More efficient in terms of reduction in equipment needs and allows for maintenance/back-up of all faxes received. In many instances, reduces the need for printing and paper. **Yes, this is fine.**

16		4.1.2	11	***Will the Board budget this as a transition item, the costs to be paid by the Board?*** **Rationale:** The initial set-up of this would be above and beyond routine tasks. Once developed, the changes and adding of forms would be considered routine? **No, this should be included in the contract.**
17		4.1.3.1	11	***What is the current software program used by the Board for database management and does the Board own the software?*** **It is file maker and it is owned by the Board.**
18		4.1.3.1	11	***Can current database be exported to an Excel file and how many database fields are maintained on a regular basis?*** **We do not think it can be exported to Excel.**
19		4.1.3.6	11	***Will the Board support an automatic on-line/cloud back-up for each of its dedicated computers/network that occurs daily (actually every hour as rule).*** **Rationale:** On-line back-up daily is preferable in terms of retrieval and ensuring continuity and consistency. **Yes.**
20		4.1.3.6	11	***Does the Board own the rights to the website (or does current management firm retain) and can the coding be transferred and/or does the Board anticipate there will be a need for extensive redevelopment/redesign or perhaps an entirely new website?*** **The Board owns the rights to the website and we do not anticipate extensive redesign.**
21		4.1.3.6	11	***What code is the current website using?*** **We do not know.**
22		4.1.3.6	11	***Is the current website ADA compliant?*** **It is not readily accessible for sight impaired individuals.**
23		4.1.4	12	***Would the board consider further defining key personnel as it relates to contract language and responsibilities of vendor vs. the Board in terms of hiring and termination?*** **Rationale:** Key personnel (me as owner of company would be half time) but would have two other full time and a minimum of at least a half time (core hours) administrative assistant, plus accounting person. **This is fine.**
24		4.1.4	12	***Does the Board want the vendor to consider retaining any current board personnel?*** **This is not required.**
25		4.1.9	13	***Does meeting management include overnight accommodations arrangements for Board members or evening meetings?*** **Rationale:** Factoring of staff time allocation needs. **Yes.**
27		4.2(b)	13	***Will the Board, in consultation with vendor, prepare a more defined list of reimbursable expenses?*** **Yes, if necessary.**
28		5.1	14	***Will the Board consider a pre-planning, hourly billing rate or***

				set fee for transitioning to help ensure a more seamless transfer prior to the final change-over date (i.e. July 1)? Yes.
29		5.2	14	*Will the Board consider adding contract language that also clarifies required vendor notice (i.e. 90 days) should vendor not wish to extend contract.* Yes.
30		6.3	14	*Will the Board consider, after the initial two year contract, and during consideration of extension in the third year, discussing an increase if the number of meetings and in particular, applications exceeds the current, approximate projections by more than a certain percentage (i.e. 25%)* Yes.

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

Program Records Retention and Disposition Schedule

The Program Records Retention and Disposition Schedule and retention periods governing the records series listed herein are hereby approved. In accordance with the provisions of Chapters 121 and 132 of the General Statutes of North Carolina, it is agreed that the records of the

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

do not and will not have further official use or value for administrative, research, or reference purposes after the respective retention periods specified herein. The N.C. Department of Cultural Resources consents to the destruction or other disposition of these records in accordance with the retention and disposition instructions specified in this schedule. However, records subject to audit or those legally required for ongoing official proceedings must be retained until released from such audits or official proceedings, notwithstanding the instructions of this schedule. **Public records including electronic records not listed in this schedule or in the *General Schedule for State Agency Records* are not authorized to be destroyed.**

The

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

agrees to destroy, transfer or dispose of records in the manner and at the times specified herein. This schedule is to remain in effect until superseded.

APPROVAL RECOMMENDED

Jennifer Robertson, Administrator
N.C. Board of Licensed Professional Counselors

David Brook, Director
Division of Historical Resources

APPROVED

Christine Greene, Chairperson
N.C. Board of Licensed Professional Counselors

Linda A. Carlisle, Secretary
Department of Cultural Resources

February 19, 2009

AWH

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

ITEM 48357. NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS MINUTES FILE.

Official minutes of meetings of the board.

DISPOSITION INSTRUCTIONS: Transfer a duplicate copy of the official signed minutes to an off-site storage location after each meeting for security storage. Arrange for delivery of original minutes to the State Records Center after 1 year to be microfilmed. (Agency personnel should contact the Imaging Unit, Collection Management Branch, to arrange for transfer of original minutes for microfilming.) Paper records will be destroyed in the State Records Center after microfilming. After completion of microfilming and all quality control procedures, the original copy (silver-halide) of microfilm will be stored permanently in the Archives microfilm vault. Destroy duplicate copies in the off-site storage location after the original records have been microfilmed.

ITEM 48358. GENERAL CORRESPONDENCE FILE.

Records in paper and electronic formats of correspondence and memoranda received and/or written in the office concerning daily operations and inquires regarding licensing procedures.

DISPOSITION INSTRUCTIONS: Destroy in office paper and electronic records after 1 year.

ITEM 48359. BOARD CORRESPONDENCE FILE.

Records in paper and electronic formats of correspondence and memoranda written and/or received by the board concerning the implementation of the board's policies.

DISPOSITION INSTRUCTIONS: Print electronic records and interfile with related paper records. Destroy in office electronic versions of records when administrative value ends. Transfer paper records to the State Records Center after 3 years for immediate transfer to the custody of the Archives.

ITEM 48360. OATHS OF OFFICE FILE.

Records concerning oaths of office of board members. File also includes appointment letters of board members.

DISPOSITION INSTRUCTIONS: Retain in office permanently.

ITEM 48361. TAX AND AUDIT FORMS FILE.

Completed tax forms submitted to the Internal Revenue Service (IRS). File also includes annual audits.

DISPOSITION INSTRUCTIONS: Destroy in office after 7 years if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 48362. CORPORATIONS AND LIMITED LIABILITY COMPANIES FILE.

Records concerning licensed professional counselors who apply to form professional corporations, associations, or limited liability companies. File includes correspondence, applications for certificates of registration, articles of incorporation, and other related records. Data is entered into the Corporations and Limited Liability Companies Database (Electronic) File (Item 48392).

DISPOSITION INSTRUCTIONS: Destroy in office after 2 years.

ITEM 48363. DISCIPLINARY (NO ACTION) FILE.

Records concerning complaints and/or inquires involving the practice of counseling by licensed professional counselors that led to no action being taken by the board. File includes complaints, board decisions, and related correspondence. Data is entered into the Disciplinary Action Database (Electronic) File (Item 48393). (Comply with applicable provisions of 42 C.F.R. 2.1 and G.S. 122C-25 regarding the confidentiality of substance abuse patient records.)

DISPOSITION INSTRUCTIONS: Destroy in office 3 years after resolution of case if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 48365. NON-DISCIPLINARY ACTION FILE.

Records concerning complaints and/or inquires involving the practice of counseling by licensed professional counselors that led to non-disciplinary action by the board. File includes complaints, board decisions, and related correspondence. Data is entered into the Disciplinary Action Database (Electronic) File (Item 48393). (Comply with applicable provisions of 42 C.F.R 2.1 and G.S. 122C-25 regarding the confidentiality of substance abuse patient records.)

DISPOSITION INSTRUCTIONS: Destroy in office 5 years after resolution of case if no litigation, claim, audit, or other official involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 48366. DISCIPLINARY ACTION FILE.

Records concerning complaints and/or other inquires involving the practice of counseling by licensed professional counselors that led to disciplinary actions by the board. File includes complaints, board decisions, and related correspondence. File also includes, when applicable, hearing transcripts and exhibits. Data is entered into Disciplinary Action Database (Electronic) File (Item 48393). (Comply with applicable provisions of 42 C.F.R 2.1 and G.S. 122C-25 regarding the confidentiality of substance abuse patient records.)

DISPOSITION INSTRUCTIONS: Destroy in office hearing transcripts and exhibits when administrative value ends if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved. Destroy in office remaining records after entry into database and completion of all quality control procedures.

ITEM 48367. LICENSING (ACTIVE) FILE.

Records in paper and electronic formats concerning each currently licensed professional counselor. File includes applications, examination scores, transcripts, professional disclosure statements, supervised professional practice records, renewal documentation, correspondence, and other related records. (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.)

DISPOSITION INSTRUCTIONS: Transfer records of inactive licensed professional counselors to the Licensing (Lapsed) File (Item 48368) when license is expired or revoked. Transfer records of deceased licensed professional counselors to Licensing (Deceased) File (Item 48369) when officially notified that licensee is deceased. Destroy in office remaining records 3 years after data is entered into the Licensing Database (Electronic) File (Item 48394).

ITEM 48368. LICENSING (LAPSED) FILE.

Records concerning formerly licensed professional counselors whose licenses have been revoked or have expired due to failure to renew or retirement.

DISPOSITION INSTRUCTIONS: Destroy in office 3 years after data is entered into the Licensing Database (Electronic) File (Item 48394).

ITEM 48369. LICENSING (DECEASED) FILE.

Records concerning formerly licensed professional counselors who are now deceased. Data is entered into the Licensing Database (Electronic) File (Item 48394).

DISPOSITION INSTRUCTIONS: Destroy in office 3 years after receiving official notification of death of licensee.

ITEM 48370. APPLICATION (ACTIVE) FILE.

Records in paper and electronic formats concerning applicants wanting to acquire licensure as licensed professional counselors. File includes application requests, applications, examination scores, transcripts, professional disclosure statements, supervised professional practice records, and related correspondence. (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.)

DISPOSITION INSTRUCTIONS: Destroy in office paper and electronic records of requests for applications after 2 years. Transfer paper and electronic records of applicants who obtained licensure to the Licensing (Active) File (Item 48367). Transfer remaining paper and electronic records to Application (Denied) File (Item 48371).

ITEM 48371. APPLICATION (DENIED) FILE.

Records in paper and electronic formats concerning applicants wanting to acquire licensure as a licensed professional counselor, but have been denied due to exceeding the time limit, record number of examination failures, or were denied licensure by board action. File includes requests, applications, examination scores, transcripts, professional disclosure statements, supervised professional practice records, and related correspondence. (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.)

DISPOSITION INSTRUCTIONS: Destroy in office paper and electronic records after 5 years.

ITEM 48372. EXAMINATION AND LICENSURE CORRESPONDENCE FILE.

Correspondence and inquires concerning licensure as licensed professional counselors in North Carolina. File includes examinations, requests, and other related records.

DISPOSITION INSTRUCTIONS: Destroy in office examination records after 3 years. Destroy in office remaining records after 1 year.

ITEM 48392. CORPORATIONS AND LIMITED LIABILITY COMPANIES DATABASE (ELECTRONIC) FILE.

Electronic records concerning professional corporations, associations, and/or limited liability companies. Electronic file includes correspondence, applications for certificate of registration, articles of incorporation, and other related data. Data is entered into this database form Corporations and Limited Liability Companies File (Item 48362). (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.) (File maintenance and backup procedures are conducted by LAN administrator.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Destroy in office 3 years after dissolution of the professional corporation, association, or limited liability company by the Secretary of State.

ITEM 48393. DISCIPLINARY ACTION DATABASE (ELECTRONIC) FILE.

Electronic records concerning complaints and/or inquiries involving the practice of counseling by licensed professional counselors. Electronic file includes complaints, board decisions, and related correspondence. Electronic file also includes hearing transcripts and exhibits. Data is entered into this database from Disciplinary (No Action) File (Item 48363), Non-Disciplinary File (Item 48365), and Disciplinary Action File (Item 48366). (Comply with applicable provisions of 42 C.F.R 2.1 and G.S. 122C-25 regarding the confidentiality of substance abuse patient records.) (File maintenance and backup procedures are conducted by LAN administrator.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Retain in office permanently.

ITEM 48394. LICENSING DATABASE (ELECTRONIC) FILE.

Electronic records concerning active licensed professional counselors, lapsed licensed professional counselors, and deceased licensed professional counselors. Electronic file includes applications, examination scores, transcripts, professional disclosure statements, supervised professional practice records, renewal documentation, correspondence, and other related data. Data is entered into this database from the Licensing (Active) File (Item 48367), Licensing (Lapsed) File (Item 48368), and Licensing (Deceased) File (Item 48369). (Comply with applicable provisions of 5 USC Section 552a and G.S. 93B-14 regarding the confidentiality of records maintained on individuals.) (File maintenance and backup procedures are conducted by LAN administrator.)

DISPOSITION INSTRUCTIONS: Update in office routinely. Retain in office permanently.