

ASHEBORO CITY BOARD OF EDUCATION
January 9, 2014
7:30 p.m.
Asheboro High School
Professional Development Center

***6:00 p.m. – Policy Committee**

***6:45 p.m. – Finance Committee Meeting**

I. Opening

- A. Call to Order
- B. Moment of Silence
- C. Pledge of Allegiance – Trent Joura, 5th grade, Lindley Park Elementary School
- *D. Approval of Agenda

II. Special Recognition and Presentations

- A. Board Spotlight – Lindley Park Elementary School

III. Public Comments

- A. Citizens who signed up to address the Board will be called on to make comments. Each individual speaker will be allowed 3 – 5 minutes for remarks. Issues or concerns involving personnel matters are not appropriate for the public comment setting.

IV. *Consent Agenda

- A. Approval of Minutes – December 12, 2013, Called Meeting on December 17, 2013, and Legislative Committee Meeting on December 17, 2013
- B. City Schools Consortium Acknowledgement and Commitment
- C. Budget Amendment F-02
- D. Budget Calendar/Process
- E. Personnel

V. Information, Reports and Recommendations

- A. High School Endorsements

VI. Action Items

- *A. Legislative Platform 2014
- *B. NCSBA Voucher Litigation
- *C. 2012-2013 Audit Report
- *D. Policies
 - Policy 3230/7330 – Copyright Compliance
 - Policy 3410 – Testing and Assessment Program
 - Policy 3420 – Student Promotion and Accountability
 - Policy 3460 – Graduation Requirements
 - Policy 4700 – Student Records
 - Policy 5070/7350 – Public Records
 - Policy 6220 – Operation of Student Food Services
 - Policy 7410 – Career Status (Removal of Policy)
 - Policy 7510 – Leave
 - Policy 7810 – Evaluation of Licensed Employees
 - Policy 7950 – Probationary Teachers: Nonrenewal
- *E. 2015-2016 School Year Calendar

VII. Superintendent's Report/Calendar of Events

- A.** Calendar of Events
- B.** 2013-2014 Board Goals, January Update

VIII. Board Operation

- A.** Committee Assignments – 2014
- B.** Important Dates to Remember:
 - Legislative Breakfast – January 17, 2014, 8:00 a.m. North Asheboro Middle School
 - Board Appreciation Luncheon – January 24, 2014, 12:00 noon, Loflin Elementary
 - Winter Board Retreat – February 8, 2014, 8:00 – 4:30 p.m., Loflin Elementary
 - NSBA Annual Conference – April 5-7, 2014, New Orleans, Louisiana

IX. Adjournment

Asheboro City Schools' Board of Education meetings are paperless. All information for the board meetings may be viewed at <http://www.asheboro.k12.nc.us> under Board of Education the Friday following the board meeting.

ASHEBORO CITY BOARD OF EDUCATION
January 9, 2014
7:30 p.m.
Asheboro High School
Professional Development Center

Addendum

- I. **Opening**

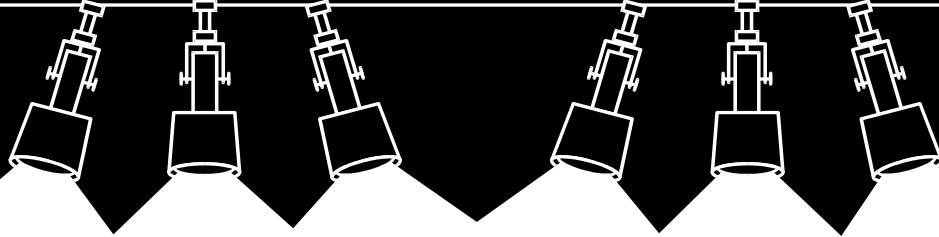
- IV. ***Consent Agenda**
 - E. Personnel

- IX. **Adjournment**

Mission Statement

We are committed to providing quality learning opportunities for all students in a safe and inviting environment so that our students can become successful lifelong learners, prepared for 21st century global citizenship.

January 9, 2014



Community Spotlight:

Board Spotlight:

Tonight's spotlight will be presented by Lindley Park Elementary School. Lindley Park's ESL team will share highlights through a video from Lindley's Hispanic Heritage Month. Following the team's presentation, a Lindley Park parent will speak about parent involvement at the school. Welcome Lindley Park!

Special Recognition:

Minutes of the Asheboro City Board of Education

December 12, 2013

Board of Education

Opening

The Asheboro City Board of Education met in regular session at 7:30 p.m. in the Professional Development Center with the following members present:

Jane Redding, Chairman	Gustavo Agudelo
Phillip Cheek	Linda Cranford
Joyce Harrington	Dr. Kelly Harris
Steve Jones	Gidget Kidd
Kyle Lamb	Archie Priest, Jr.
Chris Yow	

Archie Smith, Jr., Attorney

Staff members present were Dr. Diane Frost, Jennifer Smith, Harold Blair, Nathan Craver, Carla Freemyer, Mike Mize, Dr. Brad Rice, Dr. Julie Pack, Dr. Drew Maerz, Wendy Rich, and Elizabeth Johnson.

Following a moment of silence led by Chairman Redding, Khamisey (Kham) Williams and Makenzie Perdue, eighth grade students at South Asheboro Middle School, led the Pledge of Allegiance.

Mr. Lamb made a motion to approve the agenda, seconded by Mr. Jones, and the agenda was unanimously approved by the Board.

Swearing in Ceremony

Clerk of Court Pamela Hill administered the Board of Education oath of office to Gustavo Agudelo, Phillip Cheek, Linda Cranford, Steve Jones, and Dr. Kelly Harris. Mr. Agudelo, Mr. Jones, Ms. Cranford, and Mr. Cheek will each serve a six-year term as re-elected members to the Asheboro City Board of Education. Dr. Kelly Harris will serve two years until the 2015 general election.

Special Recognition and Presentations

Dr. Frost announced the 2013 Holiday Art Award winner, Ellen Benitez, a fifth grade student at Balfour Elementary School. Ellen received a Visa gift card along with her original framed artwork.

Carla Freemyer recognized Courtney Chavis with the Randolph County Family Crisis Center for its partnership with South Asheboro Middle School. The Family Crisis Center provides counseling services for students at SAMS. The center's staff regularly holds small group sessions with the middle school students.

South Asheboro Middle School's administration and members of the school leadership team highlighted the school's community partnerships through a short video and comments.

Public Comments

Chairman Redding opened the floor to public comments; no one signed up to address the Board.

Upon motion by Mr. Lamb, seconded by Mr. Jones, the Consent Agenda was unanimously approved by the Board.

Consent Agenda

The following Consent Agenda items were approved:

Approval of Minutes – November 21, 2013

Surplus Property Bid Approval (A copy of the Surplus Property Bid will become a part of these minutes.)

Personnel

RESIGNATIONS/RETIREMENTS/SEPARATIONS

<u>NAME</u>	<u>SCHOOL/SUBJECT</u>	<u>EFFECTIVE</u>
Millner, Amy	CO/Bus Driver	11/14/13
Brock, Tyler	SAMS/Custodian (PT)	1/2/14
Kern, Brenda	AHS/English	1/31/14
Tucker, Hoyt	DLL/Custodian	2/28/14

APPOINTMENTS

<u>NAME</u>	<u>SCHOOL/SUBJECT</u>	<u>EFFECTIVE</u>
Harvey, Patrick (PJ)	AHS/Social Studies	1/2/14
Kilby, Keith	NAMS/Inst. Asst. ISS	12/2/13
Scott, Brianna	LP/Art	1/2/14
Williams, Sharon	NAMS/Lead Math (PT)	11/20/13
Pugh, Betsy	ECDC/Pre-K/EC (Interim)	1/2-6/12/14
Goss, Julie	Sub. (\$70 per day)	12/13/13
Gregg, Brittany	Sub. (\$70 per day)	12/13/13
Hobson, Donna	Sub. (\$91 per day)	1/2/14
Hobson, Kathryn	Sub. (\$70 per day)	12/13/13
Hopkins, Torri	Sub. (\$70 per day)	12/13/13
Hunt, Susan	Sub. (\$70 per day)	12/13/13
Lemons, Michael	Sub. (\$70 per day)	12/13/13
May, Takirah	Sub. (\$70 per day)	1/2/14
Moss, Kelly	Sub. (\$91 per day)	12/13/13
Rutledge, Krystle	Sub. (\$70 per day)	12/13/13
Williams, Gerald	Sub. (\$70 per day)	12/13/13

LEAVES OF ABSENCE

<u>NAME</u>	<u>SCHOOL/SUBJECT</u>	<u>EFFECTIVE</u>
Jessup, Mary	BAL/Inst. Assistant	1/6 - 4/27/14

Action Items

North Carolina School Boards Association Director of Policy/Legal Counsel, Allison Schafer, reviewed with the Board drafts of the superintendent search timeline, advertisement of the vacancy, where to advertise, draft application, and draft surveys. Board members requested more time to review the documents and called a special meeting to be held on Tuesday, December 16, 2013, 7:30 a.m., at Asheboro City Schools Central Office Board Room when action will be taken.

Following a 30-day review, a motion was made by Ms. Kidd and seconded by Mr. Cheek to approve the following policies:

- Policy 1610/7800 Professional and Staff Development
- Policy 3102 – Online Instruction (NEW)
- Policy 3226/4205 – Internet Safety (NEW)
- Policy 3227/7322 – Web Page Development
- Policy 6524 – Network Security
- Policy 7335 – Employee Use of Social Media
- Policy 8210 – Grants and Funding for Special Projects
- Policy 8230 – Penalties, Fines, and Forfeitures
- Policy 8320 – Depositories
- Policy 8325 – Daily Deposits
- Policy 8330 – Facsimile Signatures

The motion passed unanimously. (A copy of the policies will become a part of these minutes.)

Information, Reports and Recommendations

Dr. Brad Rice presented a revised draft of the 2015-2016 school year calendar for the board to review. The calendar will be available for input from stakeholders and will be presented to the board for approval at the January 9, 2014, Board Meeting.

Ms. Cindy Chen, Mandarin Chinese teacher, shared a presentation showing her home in China and her reflections on her experiences so far at Asheboro High School. Two of Ms. Chen's students spoke about learning Chinese and the positive atmosphere in her classes.

Dr. Julie Pack, Dr. Brian Toth, and Dr. Diane Frost shared highlights from their recent cultural exchange trip to China.

Dr. Maerz presented, for 30-day review, the following policies:

- Policy 3230/7330 – Copyright Compliance
- Policy 3410 – Testing and Assessment Program
- Policy 3420 – Student Promotion and Accountability
- Policy 3460 – Graduation Requirements
- Policy 4700 – Student Records
- Policy 5070/7350 – Public Records
- Policy 6220 – Operation of Student Food Services
- Policy 7410 – Career Status (Removal of Policy)
- Policy 7510 – Leave
- Policy 7810 – Evaluation of Licensed Employees
- Policy 7950 – Probationary Teachers: Nonrenewal

Superintendent's Report/Calendar of Events

Carla Freemyer shared the Calendar of Events highlighting the following dates and events: Superintendent's Holiday Luncheon, December 17; District Science Fair, January 17; Legislative Breakfast, January 17; Board Appreciation Luncheon, January 24; Winter Board Retreat, February 8; and the District Spelling Bee, February 18.

Ms. Freemyer reviewed the latest edition of *Points of Pride* highlighting several student and staff recognitions. Most notably, Kathy Saunders, English teacher at Asheboro High School, who was selected as regional finalist for the state Teacher of the Year honor.

Superintendent Frost presented an update on the 2013-2014 Asheboro City Schools' Strategic Plan goals.

Board Operations

Superintendent Frost indicated the Board of Education would be reorganizing and the floor was opened to nominations for chairman. Mr. Jones made a motion, seconded by Mr. Yow, to nominate Ms. Redding as chairman. Motion passed unanimously and Ms. Redding was re-elected as chairman.

Chairman Redding opened the floor to nominations for vice chairman. Mr. Cheek made a motion to nominate Mr. Priest with Mr. Lamb seconding the motion. Chairman Redding asked if there were other nominations. Ms. Kidd nominated Mr. Jones, with Mr. Yow seconding the motion. By show of hands, Mr. Priest received 4 votes and Mr. Jones received 6 votes (Mr. Priest abstained from voting). Mr. Jones was elected as vice-chairman.

Chairman Redding reminded members of the Board of the following important dates:

- Superintendent's Holiday Luncheon – December 17, 2013, 11:30 a.m., PDC
- Legislative Breakfast – January 17, 2014, 8:00 a.m. North Asheboro Middle School
- Board Appreciation Luncheon – January 24, 2014, 12:00 noon, Loflin Elementary
- Winter Board Retreat – February 8, 2014, 8:00 – 4:30 p.m., Loflin Elementary
- NSBA Annual Conference – April 5-7, 2014, New Orleans, Louisiana

Adjournment

There being no further business, a motion was made by Mr. Lamb, seconded by Mr. Cheek, and unanimously approved by the Board, to adjourn at 10:15 p.m.

Chairman

Secretary

Minutes of the Asheboro City Board of Education
December 17, 2013
Special Session
7:35 a.m.

The Asheboro City Board of Education met in a special session at 7:35 a.m. in the Administration Building Board Room with the following committee members present:

Jane Redding, Chair	Gustavo Agudelo
Gidget Kidd	Joyce Harrington
Linda Cranford	Steve Jones
Chris Yow	

Board members absent were Archie Priest, Jr., Phillip Cheek, Dr. Kelly Harris, and Kyle Lamb.

Staff members present were Dr. Diane Frost, Carla Freemyer, Mike Mize, Nathan Craver, and Elizabeth Johnson. Also present was Scott Murray, representative from North Carolina School Boards Association.

Chairman Redding called the meeting to order and welcomed all in attendance.

Chairman Redding stated the purpose of the meeting was to discuss and approve the items listed to begin the North Carolina School Boards Association superintendent search process:

- Timeline
- Vacancy Advertisement
- Advertising List
- Application Form
- Community Survey Form
- Staff Survey Form

A motion was made by Ms. Kidd and seconded by Mr. Agudelo, and unanimously approved by the Board to adopt NCSBA Superintendent Search Process as detailed below:

- A revised timeline was distributed by Mr. Scott Murray with the North Carolina School Boards Association with February 12, 2014, as the application deadline
- The vacancy advertisement as submitted by NCSBA
- Advertising the vacancy will run for 60 days on the venues suggested by NCSBA as well as universities with education doctoral programs
- The application form with the approved essay questions selected by ACS board members
- The survey for community input was selected
- The survey for staff input was also selected

There being no further business, a motion was made by Mr. Jones, seconded by Mr. Agudelo, and unanimously approved by the Board, to adjourn at 8:15 a.m.

Chairman

Secretary

**Minutes of the Asheboro City Board of Education
Legislative Committee
December 17, 2013
8:20 a.m.**

The Asheboro City Board of Education Legislative Committee met on Tuesday, December 17, 2013, at 8:20 a.m. in the Administration Building Board Room with the following committee members present:

Linda Cranford, Committee Chair
Joyce Harrington

Steve Jones
Jane Redding

Staff members present were Dr. Diane Frost, Carla Freemyer, and Elizabeth Johnson.

Chairman Cranford called the meeting to order and recognized Dr. Frost to lead the agenda.

Dr. Frost began the meeting by briefly reviewing the North Carolina School Boards Association Delegate Assembly's amendment to the 2013-14 NCSBA Legislative Agenda to provide adequate teacher compensation. Dr. Frost reviewed the North Carolina Association of School Administrators' legislative platform as well. The Committee then reviewed a proposed 2014 legislative platform for Asheboro City Schools. The Committee participated in open discussion on issues and agreed to present a proposed legislative platform to the full Board of Education for approval at its January 9, 2014, meeting.

There being no further business, the meeting adjourned at 8:55 a.m.

Chairman

Secretary

CITY SCHOOLS CONSORTIUM

Acknowledgment and Commitment

The Asheboro City Schools is a member of the City Schools Consortium, an organization of North Carolina public school city administrative units that provides assistance to its members in regard to issues related to city administrative units in North Carolina. Elkin City Schools serves as the fiscal agent for the City Schools Consortium. The membership fee is Three Thousand four hundred and seventy four Dollars (US \$3,474.00). By the execution hereof, the Asheboro City Schools acknowledges its membership in the City Schools Consortium shall be effective the first day of January 2014 and shall be in full force and effect for one year thereafter unless cancelled by either party and acknowledges its commitment to pay this membership fee to the aforesaid fiscal agent not later than February 28, 2014. The execution and the delivery of this Acknowledgement and Commitment have been duly authorized and approved by the Asheboro City Schools Board of Education and the undersigned superintendent of the Asheboro City Schools has been duly authorized to execute and deliver this document on its behalf.

This the 9th day of January, 2014.

Superintendent

Board Chair

Budget Amendment
Asheboro City Schools Administrative Unit
Federal Funds

The Asheboro City Board of Education at a regular meeting on the 9th day of January, 2014, passed the following resolution.

Be it resolved that the following amendment be made to the budget resolution for the fiscal year ending June 30, 2014.

<u>Revenue</u>		
3.3600.158	ARRA – Race to the Top Recruitment Incentive	\$ 2,447.00
		\$ 2,447.00
		\$ 2,447.00
 <u>Expenditure</u>		
3.5110.158	Regular Curricular Services	\$ 2,447.00
		\$ 2,447.00
		\$ 2,447.00
Total Appropriation in Current Budget		\$ 5,207,208.53
Total Increase/Decrease of above amendment		2,447.00
Total Appropriation in Current Amended Budget		\$ 5,209,655.53

Passed by majority vote of the Board of Education of Asheboro City on the 9th day of January, 2014.

Chairman, Board of Education

Secretary

ASHEBORO CITY SCHOOLS BUDGET CALENDAR

- I. February 1 – February 21: WORK PERIOD
Consult with principals and directors. Compile listing of budget requests.
- II. February 24 – March 26: EVALUATION PERIOD
Evaluate requests and assess priorities.
- III. **Thursday, March 27 – 7:00 p.m.: BUDGET WORK SESSION WITH BOARD OF EDUCATION (Professional Development Center)**
- IV. March 28 – April 23: COMPILATION AND REVIEW
Prepare preliminary budget.
- V. **Thursday, April 24 – 7:00 p.m.: SUBMIT BUDGET REQUEST AND BUDGET MESSAGE TO BOARD OF EDUCATION (Professional Development Center)**
- VI. April 25 – April 30: PREPARE BUDGET FOR COUNTY COMMISSIONERS
Make changes as requested by the Board.
- VII. May 1 - May 15: DELIVER TO COUNTY COMMISSIONERS

Special Meetings

Thursday 3/27 7:00 p.m. Professional Development Center - Budget Work Session

Thursday 4/24 7:00 p.m. Professional Development Center - Submit Budget to Board

**Asheboro City Schools
Personnel Transactions
January 9, 2014**

***A. RESIGNATIONS/RETIREMENTS/SEPARATIONS**

NAME		SCHOOL	SUBJECT	EFFECTIVE
McQueen	Helene	NAMS	English Language Arts	1/2/2014
Davin	Misty	GBT	Third Grade	1/10/2014

***B. APPOINTMENTS**

NAME		SCHOOL	SUBJECT	EFFECTIVE
Allgood	Timothy	AHS	English (interim)	2/1/2014 - 6/11/2014
Maye	Takirah	CWM	After School Program Asst. (PT)	1/2/2014

***C. LEAVES OF ABSENCE**

Causey	Staci	ECDC	Instructional Assistant	1/13/2014-3/21/2014
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**Asheboro City Schools
Personnel Transactions - ADDENDUM
January 9, 2014**

***A. RESIGNATIONS/RETIREMENTS/SEPARATIONS**

NAME	SCHOOL	SUBJECT	EFFECTIVE
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***B. APPOINTMENTS**

NAME		SCHOOL	SUBJECT	EFFECTIVE
Doiron	Florence "Wendy"	BAL	AIG (PT)	1/23/2014 - 4/30/2014
Groseclose	Terry	SAMS	Literacy/AIG (PT)	1/7/2014 - 6/10/2014
Smith	Charlene	NAMS	AIG (PT)	1/23/2014 - 6/11/2014
Estrada	Saira		Substitute (\$70 per day)	1/13/2014

Policy Review GCS-L-007

North Carolina High School Diploma Endorsements

Students enrolled in NC high schools shall have the opportunity to earn one of the following endorsements to their HS Diploma beginning with the class of 2014-2015 based on the following criteria:

1. Career Endorsement:
 - a. Student shall complete a CTE concentration in one of the approved CTE Cluster areas, earn a grade point average of 2.6 (unweighted), and the student shall earn at least one industry-recognized credential.

2. College Endorsement (2 options)
 - a. Option 1: The student shall complete the Future-Ready Core mathematics sequence of Math I, II, III and a fourth mathematics course aligned with the students post-secondary plans; and the student shall earn a grade point average of at least 2.6 (unweighted).
 - b. Option 2: The student shall complete the Future-Ready Core mathematics sequence of Math I, II, III and a fourth mathematics course that meets the minimum admission requirements for UNC universities which include a mathematics course with Math III as a pre-requisite; the student shall complete three units of science including at least one physical science, one biological science and one laboratory science course, which must include either physics or chemistry; two units of world languages (other than English); and the students shall earn a grade point average of at least 2.6 (unweighted).

3. NC Academic Scholars Endorsement:
 - a. Requirements for Academic Scholars program are set forth in State Board Policy GCS-L-003.



Asheboro City Schools

...the subject is excellence

Office of the Superintendent

P.O. Box 1103, Asheboro, NC 27204-1103 • 1126 S. Park St. • (336) 625-5104 • (336) 625-9238, fax

ASHEBORO CITY BOARD OF EDUCATION Legislative Committee

2014 LEGISLATIVE PLATFORM

VISION STATEMENT

Asheboro City Schools will be a system of excellence where every student graduates, and is globally competitive for careers, college, and citizenship.

MISSION STATEMENT

We are committed to providing quality learning opportunities for all students in a safe and inviting environment so that our students can become successful lifelong learners, prepared for 21st century global citizenship.

PURPOSE OF LEGISLATIVE COMMITTEE

- To educate, inform, and communicate the needs of the Asheboro City Schools with key legislative leaders at the local, state, and federal levels on a regular basis;
- To develop positive relationships with key legislative leaders; and
- To stay abreast of current legislative issues and develop awareness among key legislative leaders of their potential impact on the Asheboro City Schools.

GUIDING PRINCIPLES

1. **Local Control**—We believe that a system of excellent schools is governed by a local board of education representative of the community and vested in the interests of its students and citizens.
2. **Adequate funding**—We believe that a system of excellent schools provides quality learning opportunities for all students, and the state should provide sufficient funding and resources to meet the requirement of providing all children with the opportunity for a sound, basic education.
3. **Support for public schools**—We believe that public education in North Carolina means a free education for all students; the promise of equal educational opportunities no matter race, religion, or ability; high standards; public accountability; and a benefit to society by teaching democratic principles and common values.

2014 LEGISLATIVE PRIORITIES

Local Control

1. **Number of LEAs per county**—Maintain local control on the number of LEAs per county.

Adequate Resources

2. **Provide competitive compensation for state educators**—Improve educator pay so that we can attract and retain the highest quality public school professionals. Reinstate master's degree compensation for teachers.
3. **Improve per pupil funding**—State funding per ADM has declined from \$5,779 in 2008-09 to \$5,452 in 2013-14. Reductions in funding for teacher assistants, instructional support, textbooks, and classroom supplies are limiting our ability to adequately prepare our students for 21st century careers, college, and citizenship.

Support for Public Schools

4. **Eliminate the A-F grading system for schools**—Move to an accountability system that supports academic improvement and aligns with the increased rigor of the new standards and assessments.
5. **Vouchers**—Discontinue the use of public tax dollars to support private school tuition.
6. **NC Pre-K**—Increase funding to serve additional 3 and 4-year olds in five star pre-kindergarten programs.

NORTH CAROLINA SCHOOL BOARDS ASSOCIATION

2013-2014 LEGISLATIVE AGENDA

The North Carolina School Boards Association is the professional membership association representing North Carolina's 115 local school boards and the Cherokee Central School as the unified voice for all school districts across the state. The preservation and protection of public education must continually be a state priority of the highest order. North Carolina has long recognized the essential nature of public education by enshrining in its constitution every child's right to a free, appropriate public education. Legislative and policy making bodies must dedicate themselves to maintaining the common system of public education available to all children from all walks of life and socioeconomic backgrounds. For the general improvement and betterment of public education in North Carolina, NCSBA will advocate for the following items during the 2013-14 legislative session.

Public School Funding

North Carolina's school districts have seen substantial enrollment growth over the past four years. In the midst of economic recession, fiscal constraints, and state budget cuts the resources school districts need to keep pace with this substantial enrollment increase have not been provided. Each year during this period school districts have had to send large sums back to the State through a budgetary provision known as the "discretionary cut," while stretching remaining resources to accommodate new students. The result has been a straight and rapid decrease in per child funding that today leaves North Carolina in the nation's bottom quintile.

NCSBA firmly believes the strain placed upon school districts by educating more students with fewer resources has reached a breaking point that cannot endure without significant deterioration in the quality of public education delivered in this state. The first thing the North Carolina General Assembly must do in this regard is eliminate the \$376.1 million discretionary cut.

School Technology – Fines and Forfeitures

North Carolina's Constitution requires the clear proceeds of all civil penalties, fines and forfeitures collected by State agencies to be distributed to the public schools. In August, 2008, a court found that the State has consistently failed to fulfill this constitutional obligation and owes public schools \$747 million in school technology funding.

The General Assembly took the first step towards compliance with the court ruling when it instructed the UNC system in 2009 to remit \$18.1 million in parking fines that had been held in escrow to the Civil Forfeiture Fund to be allocated to school technology. Four years after the court ruling, however, an arrangement for settling the full debt has yet to be established.

To ensure that school districts receive the funds they are owed NCSBA is committed to working with the General Assembly to find an incremental debt repayment method that allows for a fiscally responsible fulfillment of the State's obligations. One potential solution, as previously proposed by NCSBA, is to establish a series of pilot programs to enforce speed limits in highway work zones and school zones using photographic equipment, with 75 percent of the resulting proceeds going towards repayment of the State's obligation.

NC Pre-K Program

For over a decade the State-funded NC Pre-K program, formerly known as More at Four, has been providing high-quality early educational opportunities to North Carolina's at-risk 4-year olds. Recognizing its demonstrated success in improving school readiness for North Carolina's most vulnerable students and narrowing the socioeconomic achievement gap, NCSBA affirms NC Pre-K's vital role in providing every child with the opportunity for a sound, basic education. Inadequate State investments have for too long deprived tens of thousands of eligible, at-risk children of access to NC Pre-K's benefits and services. NCSBA therefore believes the time has come for a firm State commitment to the NC Pre-K program through increased investments that expand access to more children. The program should also be transferred back to the Department of Public Instruction to allow it to be administered by educational professionals as the educational foundation for our most vulnerable students.

School Calendar

Students need an instructional calendar that optimizes retention, minimizes disruption, and allows concepts and ideas to be fully developed and absorbed. Over the past eight years laws governing North Carolina's public school calendars have been systematically modified to the overwhelming detriment of student learning and public education delivery effectiveness. Schools today can be open for less than 180 days, an unsound educational policy in light of the extensively documented negative effects of summer learning loss and the already low seat time the United States provides in comparison to other industrialized nations. Rigid and arbitrary State-mandated school start and end dates prevent local school boards from fashioning calendars that best fit the distinctive needs, geographies, and characteristics of their communities. The narrow window of time in which school can be open allows few opportunities for professional development days to help improve teacher effectiveness in the classroom. Inflexible rules for adjusting calendars in response to severe weather events disrupt efficient administration and learning in many mountain districts. High school students are forced to take end-of-course exams after winter break. And the current calendar structure makes it difficult, if not impossible, for students to take courses at institutions of higher education, especially during the second semester.

North Carolina's school calendar law in its current iteration is unsound, unsustainable, and does not create conditions that maximize student learning. NCSBA requests that the General Assembly revisit and reverse many of the calendar alterations that have been made over the past eight years.

School Performance Grades

The General Assembly in 2012 required that A-F letter grades be included as a performance indicator in North Carolina's public school accountability model. While the letter grade indicator will not trigger sanctions, its testing measurement will recognize only the aggregate percentage of students that achieve proficiency in a given year, with no credit for annual growth in student achievement levels. NCSBA does not believe that student test scores alone can accurately or fairly gauge school and LEA performance. Accountability indicators such as the A-F letter grading system must recognize and credit those schools and LEAs that are achieving progress in improving student achievement levels.

Remediation and Reading Intervention

With the establishment of a new K-3 literacy program, the General Assembly has taken a positive step in efforts to reduce remediation rates. NCSBA advocates for the following specific policy measures which local boards of education believe will improve the program's effectiveness as it moves forward:

- A teacher effectiveness model paired with comprehensive, quality, challenging, and evidence-based curriculum standards.
- Removing the option for a parent to decline to enroll their child in the summer reading camp for retained students. This option undermines the core element necessary to ensure the program's success.
- Additional interventions for struggling readers in kindergarten through second grade so as to prevent unsustainable resource concentration at the 3rd grade level and minimize the number of students who need to be retained.

State efforts at reducing remediation must also include increased investments in the NC Pre-K program and NCSBA reaffirms its support for the program.

Tuition Tax Credits and Vouchers for Education

NCSBA opposes the use of public funds for education tuition tax credits and vouchers, including those for special education children. Any such program would divert funding away from public schools at a time when public school budgets are already under unprecedented strain. State policy should focus on the improvement of the statewide public education system available to all children.

Teacher Career Status

School board members have a responsibility to their communities to ensure that only competent and effective teachers are employed in their schools. This responsibility cannot be properly exercised when laws create barriers to school boards' ability to remove ineffective teachers. NCSBA, therefore, supports changing state teacher employment law to a system of 1, 2, 3, or 4-year renewable contracts. Teachers who currently have career status or will earn career status by the end of the 2015-16 school year should be grandfathered.

Teacher Performance Pay

North Carolina's Race to the Top grant allows local school districts to use federal funds to experiment with teacher performance pay models. In 2012 the General Assembly authorized districts and individuals to create pay for performance plans and send them to the Department of Public Instruction. Many states have tried to implement plans such as these and have failed. NCSBA supports the premise of performance pay and supports implementing a pilot program in several districts in order to experiment with and perfect a plan before statewide implementation.

Charter Schools

Local boards of education are concerned about the separate and unequal systems of public education that today exist in North Carolina as a result of the starkly different rules and legal requirements under which traditional schools and charter schools must operate. When charter schools were first approved

they were to be experimental incubators. Now, charters have been expanded to be a system of schools and the legal framework under which they operate needs to be thoroughly examined. NCSBA, therefore, will support:

- Equivalency in services required to be provided (i.e. food, transportation);
- Charter school compliance with all applicable rules and regulations which govern traditional schools;
- Establishment of district caps on charter schools to preserve the economic feasibility of traditional schools within the district;
- Ensuring that charter schools continue to be prohibited from accessing capital funds; and
- Granting traditional schools the same freedoms as charter schools.

Virtual Charter Schools

A provision in the 2011 State budget opened the doors to the establishment in North Carolina of charter schools that operate exclusively as virtual entities. Such virtual charter schools have never before operated in North Carolina and NCSBA believes that the state's existing charter school statutes cannot adequately address the novel policy and funding challenges they present. As has been demonstrated in other states, the absence of a legal and funding framework specific to virtual charter schools can lead to a host of problems, including fraud, poor planning, excessive overpayments, and public subsidies for homeschool and private school students.

NCSBA will oppose any virtual charter school that proposes to operate in North Carolina until existing laws and policies are studied and amended to delineate a framework for virtual charter school oversight, accountability, funding, and enrollment.

Virtual Education

NCSBA supports implementation of a full-time virtual learning option through the North Carolina Virtual Public School for students of all public schools in order to enhance learning opportunities and improve graduation rates. The policies and degree requirements of the public school should govern a student's progression and diploma granting.

Education Lottery Funding

Each school system continues to have budget challenges particularly in the area of capital improvements to buildings and infrastructure. NCSBA requests that the lottery allocations be restored to full funding for capital improvements and no supplanting of funds take place as a result.

School Board Fiscal Accountability

NCSBA supports making school boards fiscally accountable. While over 90 percent of the 15,000 school boards in the nation are fiscally autonomous from other local governments, North Carolina school boards remain in the small minority of those who must rely upon another local government for local public education funds. The General Assembly should enact legislation for requesting school boards that would allow a transfer of public school fiscal accountability to the requesting school board. In such instances, school boards will be held directly accountable for all aspects of public education in that service area.

Sales Tax Refund/Exemption

From 1998 until 2005, local boards of education were able to provide additional educational opportunities with savings from a sales tax refund. Currently, cities, counties, public universities, charter schools, private schools, and countless other entities either receive a sales tax refund or are exempt from ever paying sales tax. If North Carolina's tax code is going to continue to allow some governmental entities and others to not pay sales tax to the tune of hundreds of millions of dollars, then local boards of education should either be granted a sales tax exemption or have its sales tax refund reinstated.

Guiding Principles

During each legislative session there are always unanticipated bills introduced that affect public schools. The following are guiding principles NCSBA will use to evaluate legislation that is introduced during the legislative session.

- NCSBA opposes any legislation that would violate federal laws or the state constitution.
- NCSBA opposes any legislation that would require school systems to expend additional financial resources without the State providing those necessary resources. NCSBA also will continue to advocate for funding for currently existing mandates.
- NCSBA opposes any legislation that attempts to diminish or take away local control and supports legislation that provides additional local control and decision making.
- NCSBA supports legislation that creates safe environments for students and staff as long as it is consistent with the aforementioned principles.
- The General Assembly should provide funds sufficient to guarantee full funding of all funding formulas.

For more information, please contact:

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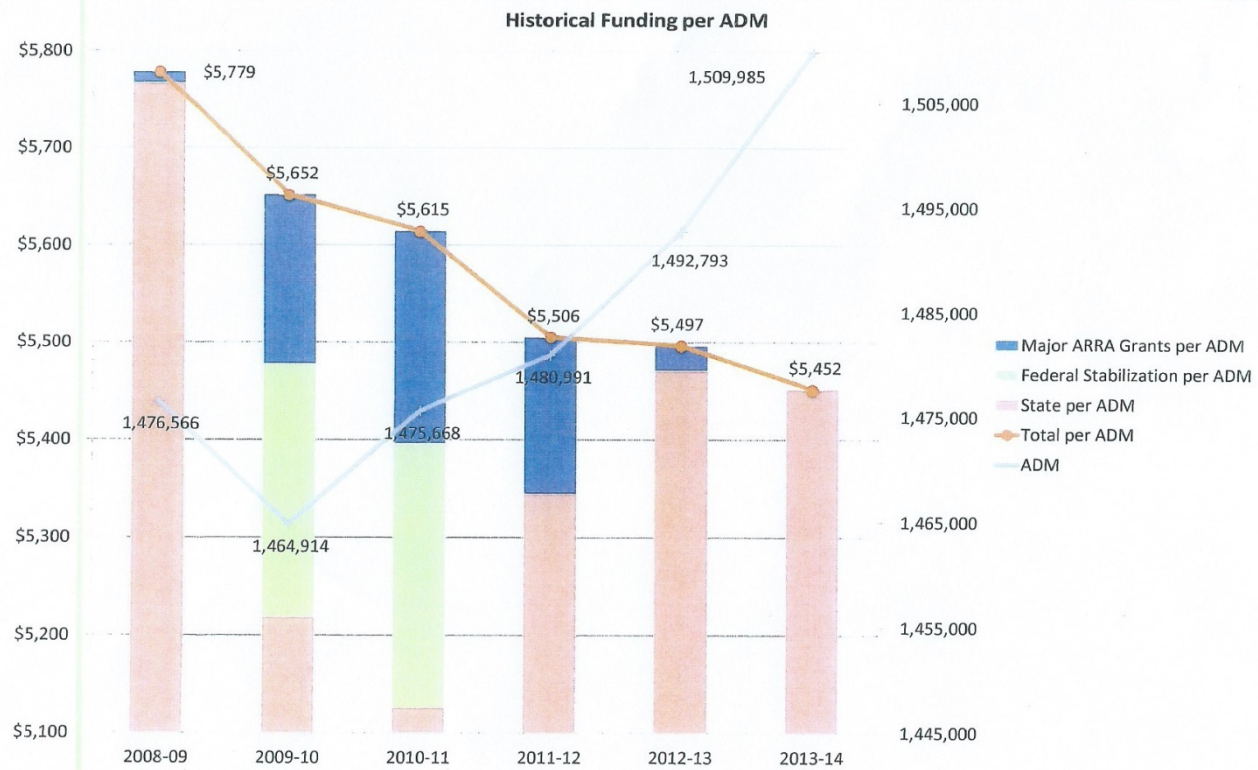
NCSBA Legislative Agenda Amendment

The NCSBA Delegate Assembly voted to amend the 2013-14 NCSBA Legislative Agenda by adding a new item dealing with teacher compensation.

Providing Adequate Teacher Compensation

The students in North Carolina's public schools deserve to be taught by caring and competent teachers. In order for school boards to employ a strong teacher corps, teachers must be compensated sufficiently and encouraged to receive additional training. At a minimum, the General Assembly should: (1) provide sufficient salary increases to the teacher salary schedule so that all teachers are adequately compensated; (2) reinstate yearly steps so that teachers in their first five years of teaching are not held at the same salary for that five year period; and, (3) reinstate the Master's Degree salary schedule for any teacher who obtains a Master's Degree in either education or in their field of teaching.

Please [click here to view the powerpoint](#) that accompanied the amendment presentation during the Delegate Assembly.



Major ARRA grant expenditures include Title I, IDEA, and Education Jobs.

Funding represents Total State Public School Fund Requirements, which comprise current appropriations and receipts, excluding NCDPI and pass-through entities.

For more information, please see page 6 of the prior years' Highlights of the NC Public School Budget at <http://www.ncpublicschools.org/fbs/resources/data/>

LAWSUIT CHALLENGES CONSTITUTIONALITY OF VOUCHER LAW

For Immediate Release: Monday, December 16, 2013

A lawsuit filed today in Wake County Superior Court challenges the constitutionality of legislation passed earlier this year that creates a private school voucher program using public funds. Under the legislation, which takes effect in the 2014-15 school year, a private school can receive up to \$4,200 in public funding for each eligible student that it enrolls. The legislation does not require that a student struggle academically or attend a poorly performing public school in order to receive a voucher. It also does not require any assurance that public funds will be spent to provide students with an adequate education and one that is offered on a non-discriminatory basis.

The suit was filed by four individual taxpayers, three of whom have children attending public schools, and the North Carolina School Boards Association (NCSBA), a nonprofit, nonpartisan membership association that represents all 115 local boards of education in the state and the Board of Education of the Eastern Band of the Cherokee Nation.

The legislation initially appropriates \$10 million in public funds. The complaint alleges that public funding will rise to \$50 million in future budget cycles.

“This challenge raises important questions about the use of public funds and our commitment to North Carolina’s students,” said Shearra Miller, president of the NCSBA and a member of the Cleveland County Board of Education. “By diverting funding from the public schools, vouchers have the potential to significantly damage individual school systems, particularly in smaller districts. As a local board member, I am concerned about the impact that will have on our students. In addition, the voucher program does not ensure that private schools that receive public funding will adhere to our constitution’s promise that students will have the opportunity to receive a sound basic education and will not face discrimination. Given all of these issues, the NCSBA Board of Directors felt strongly that the organization should raise these questions in court.”

The complaint asserts that the legislation violates the state constitution by:

- Using public dollars for a non-public purpose—private education opportunities outside of the constitutionally required “general and uniform system of free public schools;”
- Failing to require participating private schools to adhere to any substantive educational standards or practice non-discriminatory admissions;
- Diverting public dollars from the State School Fund, which is to be used “exclusively for establishing and maintaining a uniform system of public schools;” and
- Creating a system of selective secondary educational opportunities that denies students equal opportunities.

For additional information, contact Robert Orr with Poyner Spruill at 919-783-1015 or rorr@poynerspruill.com.

ASHEBORO CITY SCHOOLS' BOARD OF EDUCATION RESOLUTION

WHEREAS, the North Carolina General Assembly passed Senate Bill 402 (hereafter, "the budget bill") in July 2013; and

WHEREAS, the budget bill includes a provision appropriating \$10 million to provide private school vouchers;

WHEREAS, the fiscal note prepared for an earlier version of the voucher legislation indicates the General Assembly's intent to increase annual appropriations for the program to \$50 million per year;

WHEREAS, the voucher program created in the budget bill does not require participating private schools to provide students with the opportunity to receive a sound basic education, as required by the N.C. Constitution;

WHEREAS, the voucher program created in the budget bill does not require participating private schools to engage in non-discriminatory admissions practices;

WHEREAS, the voucher program requires the State Board of Education to reduce funding to each local board of education in an amount equal to the local board's per pupil allocation for average daily membership multiplied by the number of students who have received vouchers and were enrolled in the local board's schools during the prior semester;

WHEREAS, reducing funding to public schools to fund a private school voucher program, particularly in the wake of substantial cuts to public education funding during the previous five years, will significantly impair local boards' ability to ensure that students have the opportunity to receive a sound basic education, as required by the N.C. Constitution;

WHEREAS, the voucher program created in the budget bill uses public funds for a non-public purpose, in violation of the N.C. Constitution;

NOW, THEREFORE, BE IT RESOLVED, the Asheboro City Schools' Board of Education hereby agrees to join as a plaintiff the pending litigation, captioned *Reverend Robert Richardson, III, Michael and Delores Galloway, Steven W. Sizemore, and the North Carolina School Boards Association v. the State of North Carolina, the North Carolina State Board of Education, and the North Carolina State Education Assistance Authority*, and authorizes the attorneys engaged by the NCSBA and other plaintiffs to represent the Board of Education in the litigation, with the litigation costs to be borne by the NCSBA's Legal Assistance Fund.

Adopted this 9th day of January, 2014.

Chairperson

Superintendent

Asheboro City Schools
Independent Auditor's Report - Overview
Year ended June 30, 2013

The audit firm of Cherry, Bekaert LLP has conducted our independent audit for the 2012-2013 fiscal year. The audit consists of two major components: financial and compliance. Auditors are required to provide an opinion on the fairness of the financial statement presentation (pages 3 & 4) and to report on internal controls and compliance (pages 55-67).

The audit began in May with testing of compliance, internal controls, and individual schools' financial data. This process took about three weeks and involved staff from several schools, many central office directors and office support, and business office staff. Beginning in October, the auditors returned to complete the compliance portion of the audit and conduct the financial portion of the audit; again involving many of the central office directors and support staff and the business office staff.

Once the audit field work was concluded, the report was reviewed by senior and partner level staff at Cherry Bekaert LLP, and then submitted to the North Carolina Local Government Commission (LGC). The LGC performed their review and gave final approval for the audit report.

The audit report did receive a clean opinion, and there were three compliance findings noted below:

1. There continues to be a need for segregation of financial duties at the individual schools (see page 63 for explanation).
2. A new position coded to ARRA funding was not posted with the ESC during the hiring process (see page 63 and 64 for explanation).
3. Some of the signed concussion and head injury information sheets required by the Gfeller-Waller Concussion Awareness Act were not maintained once the season was complete (see page 64 and 65 for explanation).

Below are the page number and titles of some of the information you may want to review in detail.

Page Number(s)	Section Title
3-4	Report of Independent Auditor
14	Balance Sheet-Governmental Funds
16	Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds
23	Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds
55-56	Report on Internal Controls
57-58	Report on Compliance and Internal Controls for Major Federal Programs
59-60	Report on Compliance and Internal Controls for Major State Programs
61-65	Schedule of Findings and Questioned Costs
68-69	Schedule of Expenditures of Federal and State Awards

We appreciate all the effort by district staff to assure fiscal and programmatic compliance, and we appreciate the work conducted by the auditors with Cherry Bekaert throughout the audit process.

**ASHEBORO CITY BOARD OF
EDUCATION
ASHEBORO, NORTH CAROLINA**

**BASIC FINANCIAL STATEMENTS AND
SCHEDULES**

As of and for the Year Ended June 30, 2013

And Report of Independent Auditor

Board Members

Jane Redding, Chairman

Archie Priest, Jr., Vice Chairman

Gustavo Agudelo

Phillip R. Cheek

Linda R. Cranford

Joyce P. Harrington

W. Kelly Harris

C. Stephen Jones

Gidget Kidd

Kyle W. Lamb

Chris L. Yow

Dr. Diane L. Frost, Superintendent

Asheboro City Board of Education

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Report of Independent Auditor

Asheboro City Board of Education
Asheboro, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Asheboro City Board of Education (“the Board”) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Board’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express opinions 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 Board’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 Board’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board as of June 30, 2013, and the respective changes in financial position and cash flows thereof and the respective budgetary comparison for the General Fund, the State Public School Fund, the Federal Grants Fund and the Other Restricted Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note V to the basic financial statements, the Board adopted the provisions of Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective July 1, 2012.

Other Matters

Required Supplementary 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 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 basic financial statements of the Board. The individual fund financial schedules and the Schedule of Expenditures of Federal and State Awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial schedules and Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate 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 individual fund financial schedules and 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 report dated November 11, 2013 on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.

Cherry Point LLP

Asheboro, North Carolina
November 11, 2013

Management's Discussion and Analysis

This section of the Asheboro City Board of Education's (the "Board") financial report represents our discussion and analysis of the financial performance of the Board for the year ended June 30, 2013. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

- Student enrollment remained relatively constant from the previous year.
- The Board received funding from the Randolph County Board of Commissioners to replace a major portion of the Early Childhood Development Center. This will allow the Board to consolidate Prekindergarten programs and allow for increased enrollment within the elementary schools.

Overview of the Financial Statements

The audited financial statements of the Asheboro City Board of Education consist of four components. They are as follows:

- *Report of Independent Auditor*
- *Management's Discussion and Analysis (required supplementary information)*
- *Basic Financial Statements*
- *Required supplemental section that presents combining and budgetary statements for non-major governmental funds and budgetary statements for enterprise funds*

The *Basic Financial Statements* include two types of statements that present different views of the Board's finances. The first is the *government-wide statements*. The government-wide statements are presented on the full accrual basis of accounting and include the statement of net position and the statement of activities. The Statement of Net Position includes all of the Board's assets, liabilities, and deferred inflows of resources. Assets and liabilities are classified in the order of relative liquidity for assets and due date for liabilities. This statement provides a summary of the Board's investment in assets, deferred inflows of resources, and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement. The Statement of Activities summarizes the Board's revenues and expenses for the current year. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.

The second set of statements included in the basic financial statements are the *Fund Financial Statements*, which are presented for the Board's governmental funds and proprietary funds. These statements present the governmental funds on the modified accrual basis of accounting, measuring the near term inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The proprietary fund is presented on the full accrual basis of accounting. The fund financial statements focus on the Board's most significant funds. Because a different basis of accounting is used in the government-wide statements, a reconciliation from the governmental fund financial statements to the government-wide statements is required. The government-wide statements provide information about the Board as an economic unit while the fund financial statements provide information on the financial resources of each of the Board's major funds.

Government-wide Statements

The government-wide statements report information about the Board as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Board's assets, deferred inflows of resources, and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Board's net position and how it has changed. Net position – the difference between the Board's assets and the total of liabilities and deferred inflows – is one way to measure the Board's financial health or position.

- Over time, increases or decreases in the Board's net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the Board's overall health, one should consider additional non-financial factors such as changes in the County's property tax base and the condition of its school buildings and other physical assets.

The unit's activities are divided into two categories in the government-wide statements:

- **Governmental activities:** Most of the Board's basic services are included here, such as regular and special education, transportation, and administration. County funding and state and federal aid finance most of these activities.
- **Business-type activities:** The Board charges fees to help it cover the costs of certain services it provides. School food service and child care are included here.

The government-wide statements are shown as Exhibits A and B of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the Board's funds, focusing on its most significant or "major" funds. Funds are accounting devices the Board uses to keep track of specific sources of funding and spending on particular programs.

- Some funds are required by State law, such as the State Public School Fund.
- The Board established other funds to control and manage money for a particular purpose or to show that it is properly using certain revenues, such as in the Federal Grants fund.

Asheboro City Board of Education has two types of funds:

Governmental funds: Most of the Board's basic services are included in the governmental funds, which generally focus on two things – how cash and other assets can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. As a result of this focus, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the coming year to finance the Board's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, a reconciliation following the governmental funds statements, explains the relationship (or differences) between government-wide and the fund financial statements. The Board has several governmental funds: the General Fund, the State Public School Fund, the Individual Schools Fund, the Capital Outlay Fund, the Other Restricted Fund and the Federal Grants Fund.

The governmental fund statements are shown as Exhibits C, D, and E of this report.

Proprietary funds: Services for which the Board charges a fee are generally reported in the proprietary funds. The proprietary fund statements are reported on the same full accrual basis of accounting as the government-wide statements. Asheboro City Board of Education has two proprietary funds – both enterprise funds - the School Food Service Fund and the Child Care Fund.

The proprietary fund statements are shown as Exhibits F, G, & H of this report.

Financial Analysis of the Board as a Whole

Net position is an indicator of the fiscal health of the Board. Assets exceeded liabilities and deferred inflows of resources by \$43,236,540 as of June 30, 2013. The largest component of net position is net investment in capital assets, of \$37,913,552. It comprises 88% of the total net position.

Following is a summary of the Statement of Net Position:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Current assets	\$ 7,360,131	\$ 7,431,494	\$ 839,982	\$ 903,731	\$ 8,200,113	\$ 8,335,225
Capital assets	37,695,938	36,326,623	217,614	240,220	37,913,552	36,566,843
Total assets	45,056,069	43,758,117	1,057,596	1,143,951	46,113,665	44,902,068
Current liabilities	2,004,952	2,002,596	51,554	193,797	2,056,506	2,196,393
Long-term liabilities	704,903	271,019	-	3,449	704,903	274,468
Total liabilities	2,709,855	2,273,615	51,554	197,246	2,761,409	2,470,861
Deferred inflows of resources	115,716	62,700	-	-	115,716	62,700
Net investment in capital assets	37,695,938	36,326,623	217,614	240,220	37,913,552	36,566,843
Restricted net position	933,610	2,205,979	-	-	933,610	2,205,979
Unrestricted net position	3,600,950	2,889,200	788,428	706,485	4,389,378	3,595,685
Total net position	\$ 42,230,498	\$ 41,421,802	\$1,006,042	\$ 946,705	\$ 43,236,540	\$ 42,368,507

Note that net position increased during the year, indicating an improvement in the financial condition of the Board. The increase in net position of 2% was primarily due to an increase in capital assets in the governmental activities. Unrestricted net position increased in the business-type activities primarily due to a decrease in current liabilities. Also note that the Board carries capital assets for which Randolph County carries the offsetting debt.

The following table shows the revenues and expenses for the Board for the current fiscal year.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 999,686	\$ 1,110,374	\$ 606,890	\$ 749,686	\$ 1,606,576	\$ 1,860,060
Operating grants and contributions	28,751,543	29,175,971	2,188,349	2,105,285	30,939,892	31,281,256
General revenues:						
State of North Carolina	2,855,594	2,757,212	-	-	2,855,594	2,757,212
Randolph County	7,135,256	8,131,097	-	-	7,135,256	8,131,097
Other revenues	3,401,264	673,615	3,125	12,665	3,404,389	686,280
Total revenues	43,143,343	41,848,269	2,798,364	2,867,636	45,941,707	44,715,905
Expenses:						
Governmental activities:						
Instructional programs	33,954,870	32,883,306	-	-	33,954,870	32,883,306
Supporting services	7,043,584	6,816,862	-	-	7,043,584	6,816,862
Non-programmed charges	29,711	-	-	-	29,711	-
Unallocated depreciation expense	1,255,590	1,275,017	-	-	1,255,590	1,275,017
Business-type activities:						
School food service	-	-	2,756,980	2,865,175	2,756,980	2,865,175
Child care	-	-	32,939	30,661	32,939	30,661
Total expenses	42,283,755	40,975,185	2,789,919	2,895,836	45,073,674	43,871,021
Transfers in (out)	(50,892)	(48,399)	50,892	48,399	-	-
Increase in net position	808,696	824,685	59,337	20,199	868,033	844,884
Net position, beginning	41,421,802	40,597,117	946,705	926,506	42,368,507	41,523,623
Net position, ending	\$ 42,230,498	\$ 41,421,802	\$ 1,006,042	\$ 946,705	\$ 43,236,540	\$ 42,368,507

Total governmental activities generated revenues of \$43,143,343 while expenses in this category totaled \$42,283,755 for the year ended June 30, 2013. Comparatively, revenues were \$41,848,269 and expenses totaled \$40,975,185 for the year ended June 30, 2012. After transfers to the business-type activities, the increase in net position stands at \$808,696 at June 30, 2013, compared to \$824,685 in 2012. Instructional programs expenses comprised 80% of total governmental-type expenses while supporting services made up 17% of those expenses for 2013. County funding comprised 17% of total governmental revenue. In 2012, county funding was 19%. Much of the remaining 83% of total governmental revenue consists of restricted state and federal money. This revenue represented 81% of total revenue in 2012. Business-type activities generated revenue of \$2,798,364 and had expenses of \$2,789,919. Net position increased in the business-type activities by \$59,337, after net transfers in from the governmental activities of \$50,892.

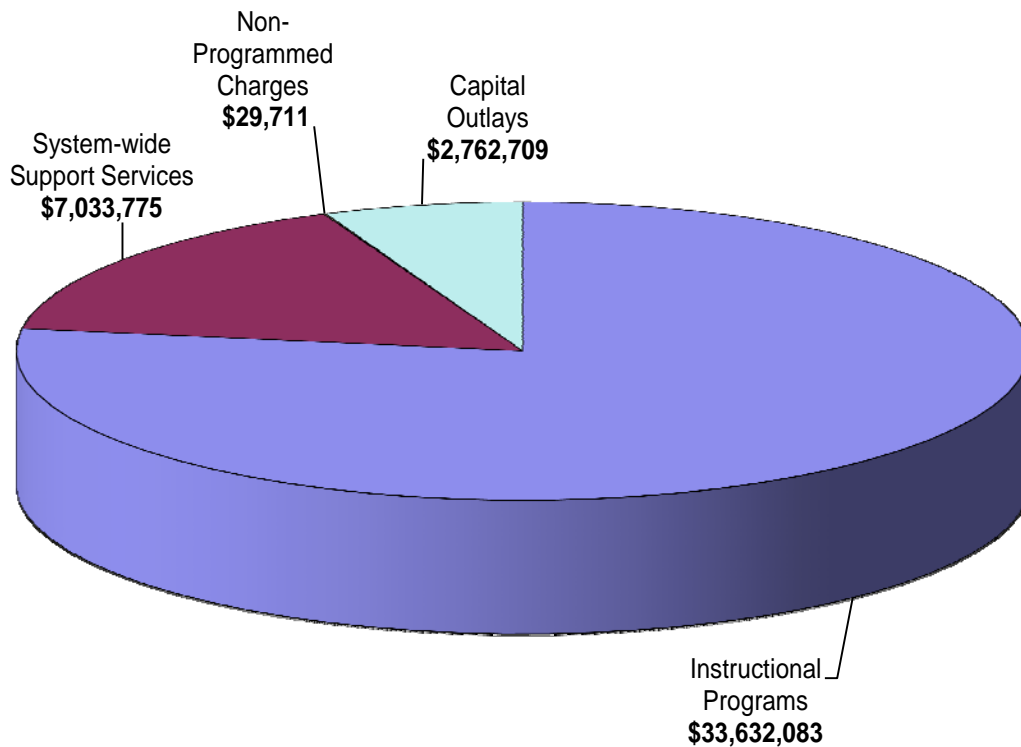
Financial Analysis of the Board's Funds

Governmental Funds: The focus of Asheboro City Board of Education's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Board's financing requirements.

The Board's governmental funds reported a combined fund balance of \$6,613,583, a \$(366,787) decrease from last year. In the General Fund revenues exceeded expenditures resulting in an increase in fund balance. Changes in major sources of funding from the prior year were as follows: state funding increased by \$903,524, county funding decreased by \$(995,841), and federal grants decreased by \$(1,380,703). Expenditures increased \$3,248,768 and included \$2,762,709 in capital outlay expenditures.

Proprietary Funds: The Board's business type funds consist of the School Food Service Fund and the Child Care Fund. The School Food Service Fund reflected an increase in net position over last year, while the Child Care Fund experienced a small operating loss before transfers in brought the change in net position to zero. While total revenues and expenses decreased from last year; non-operating revenue did experience increase in revenues due to increases in federal reimbursements.

Categorization of Expenditures for Governmental Funds



General Fund Budgetary Highlights

Over the course of the year, the Board revised the budget several times to account for changes in revenue and expenditure expectations. The Board ended the year with a surplus due to actual revenues exceeding budgeted revenues and expenditures less than budgeted expenses. Reductions in estimated revenues and corresponding decreases in appropriations totaled \$85,000 in the General Fund.

Capital Assets

Capital assets increased by \$1,369,315 or 3.77% from the previous year. The increase in capital assets was primarily a result of construction in progress at the Early Childhood Development Center.

The following is a summary of the capital assets, net of depreciation at year-end.

Table 3
Summary of Capital Assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
	Land	\$ 3,038,935	\$ 3,038,935	\$ -	\$ -	\$ 3,038,935
Construction in progress	2,493,245	120,448	-	-	2,493,245	120,448
Buildings	31,004,105	31,947,260	-	-	31,004,105	31,947,260
Land improvements	339,410	322,791	-	-	339,410	322,791
Furniture, equipment and vehicles	820,243	897,189	217,614	240,220	1,037,857	1,137,409
Total	\$ 37,695,938	\$ 36,326,623	\$ 217,614	\$ 240,220	\$ 37,913,552	\$ 36,566,843

Economic Factors

The Board anticipates increases in enrollment over the next several years and will continue to have increases in the need for classroom space, teachers, and equipment. County funding is a major source of income for the Board; therefore the County's economic outlook has a direct effect on that of the school district. The following factors have affected the economic outlook of Randolph County.

As of June 2013, the County's unemployment rate of 9.2% is slightly higher than the state average of 8.8%. Of the surrounding counties, only Chatham (6.3%) and Moore (8.8%) had lower rates. Alamance (9.5%), Davidson (9.8%), Guilford (9.8%), and Montgomery (10.2%) all had higher unemployment rates than Randolph County.

From July 2012 through June 2013, plant closures and layoffs resulted in a loss of 480 jobs in our County.

Requests for Information

This report is intended to provide a summary of the financial condition of Asheboro City Board of Education. Questions or requests for additional information should be addressed to:

B. Harold Blair, Jr., CPA
Director of Finance
Asheboro City Board of Education
1126 S. Park St.
Asheboro, NC 27203

Asheboro City Board of Education
Statement of Net Position
June 30, 2013

	Governmental Activities	Business Type Activities	Total
Assets			
Cash and cash equivalents	\$ 6,759,849	\$ 687,229	\$ 7,447,078
Accounts receivable, net	70,070	-	70,070
Due from other governments	463,648	53,077	516,725
Internal balances	33,338	(33,338)	-
Inventories	33,226	133,014	166,240
Capital assets			
Land, improvements, and construction in progress	5,532,180	-	5,532,180
Other capital assets, net of depreciation	32,163,758	217,614	32,381,372
Total capital assets	<u>37,695,938</u>	<u>217,614</u>	<u>37,913,552</u>
Total assets	<u>45,056,069</u>	<u>1,057,596</u>	<u>46,113,665</u>
Liabilities			
Accounts payable	340,351	33,111	373,462
Unearned revenue	-	9,369	9,369
Accrued salaries and benefits	126,741	-	126,741
Long-term liabilities:			
Due within one year	1,537,860	9,074	1,546,934
Due in more than one year	704,903	-	704,903
Total liabilities	<u>2,709,855</u>	<u>51,554</u>	<u>2,761,409</u>
Deferred Inflows of Resources	<u>115,716</u>	<u>-</u>	<u>115,716</u>
Net position			
Net invested in capital assets	37,695,938	217,614	37,913,552
Restricted for			
Stabilization by State Statute	195,531	-	195,531
Capital School Outlay	401,962	-	401,962
Individual Schools	162,226	-	162,226
Programs	173,891	-	173,891
Unrestricted	3,600,950	788,428	4,389,378
Total net position	<u>\$ 42,230,498</u>	<u>\$ 1,006,042</u>	<u>\$ 43,236,540</u>

See notes to financial statements.

**Asheboro City Board of Education
Statement of Activities
For the Year Ended June 30, 2013**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government							
Governmental activities							
Instructional programs							
Regular	\$ 19,940,603	\$ 201,050	\$ 15,207,062	\$ -	\$ (4,532,491)	\$ -	\$ (4,532,491)
Special Populations	5,113,497	-	4,869,031	-	(244,466)	-	(244,466)
Alternative Programs	3,622,366	-	2,497,670	-	(1,124,696)	-	(1,124,696)
School Leadership	2,364,900	-	1,711,159	-	(653,741)	-	(653,741)
Co-curricular	205,430	798,636	-	-	593,206	-	593,206
School-based Support	2,708,074	-	2,181,816	-	(526,258)	-	(526,258)
System-wide Support Services							
Support and Development	250,592	-	-	-	(250,592)	-	(250,592)
Special Population	397,819	-	226,199	-	(171,620)	-	(171,620)
Technology Support	428,723	-	33,947	-	(394,776)	-	(394,776)
Operational Support	3,867,144	-	1,411,313	-	(2,455,831)	-	(2,455,831)
Financial and Human Resource	767,118	-	217,764	-	(549,354)	-	(549,354)
Accountability	163,496	-	26,853	-	(136,643)	-	(136,643)
System-wide Pupil Support	273,492	-	46,561	-	(226,931)	-	(226,931)
Policy, Leadership and Public Relations	895,200	-	299,133	-	(596,067)	-	(596,067)
Non-programmed Charges	29,711	-	23,035	-	(6,676)	-	(6,676)
Unallocated depreciation expense	1,255,590	-	-	-	(1,255,590)	-	(1,255,590)
Total governmental activities	<u>42,283,755</u>	<u>999,686</u>	<u>28,751,543</u>	<u>-</u>	<u>(12,532,526)</u>	<u>-</u>	<u>(12,532,526)</u>
Business-type activities							
School food service	2,756,980	578,722	2,188,349	-	-	10,091	10,091
Child care	32,939	28,168	-	-	-	(4,771)	(4,771)
Total business-type activities	<u>2,789,919</u>	<u>606,890</u>	<u>2,188,349</u>	<u>-</u>	<u>-</u>	<u>5,320</u>	<u>5,320</u>
Total primary government	<u>\$ 45,073,674</u>	<u>\$ 1,606,576</u>	<u>\$ 30,939,892</u>	<u>\$ -</u>	<u>(12,532,526)</u>	<u>5,320</u>	<u>(12,527,206)</u>
General revenues							
State of North Carolina					2,855,594	-	2,855,594
Randolph County					7,135,256	-	7,135,256
Other					3,400,142	2,336	3,402,478
Interest earned on investments					1,122	789	1,911
Transfers					(50,892)	50,892	-
Total general revenues and transfers					<u>13,341,222</u>	<u>54,017</u>	<u>13,395,239</u>
Change in net position					<u>808,696</u>	<u>59,337</u>	<u>868,033</u>
Net position - beginning					<u>41,421,802</u>	<u>946,705</u>	<u>42,368,507</u>
Net position - ending					<u>\$ 42,230,498</u>	<u>\$ 1,006,042</u>	<u>\$ 43,236,540</u>

See notes to financial statements.

Asheboro City Board of Education
Balance Sheet
Governmental Funds
June 30, 2013

	Major Funds						Total Governmental Funds
	General	State Public School Fund	Federal Grants Fund	Other Restricted Fund	Capital Outlay Fund	Individual Schools Fund	
Assets							
Cash and cash equivalents	\$ 5,030,517	\$ -	\$ -	\$ 299,471	\$ 1,244,346	\$ 185,515	\$ 6,759,849
Accounts receivable, net	8,767	-	-	61,303	-	-	70,070
Due from other governments	141,375	9,724	8,638	117,150	180,163	6,598	463,648
Due from other funds	23,243	-	-	30,218	-	-	53,461
Inventories	33,226	-	-	-	-	-	33,226
Total Assets	\$ 5,237,128	\$ 9,724	\$ 8,638	\$ 508,142	\$ 1,424,509	\$ 192,113	\$ 7,380,254
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities:							
Accounts payable and accrued liabilities	\$ 70,859	\$ -	\$ -	\$ 17,805	\$ 245,972	\$ 5,715	\$ 340,351
Due to other funds	1,121	-	-	1,428	-	17,574	20,123
Accrued salaries wages and benefits	111,348	9,335	3,126	2,932	-	-	126,741
Total Liabilities	183,328	9,335	3,126	22,165	245,972	23,289	487,215
Deferred inflows of resources	102,437	389	5,512	158,586	5,934	6,598	279,456
Fund balances							
Nonspendable							
Inventories	33,226	-	-	-	-	-	33,226
Restricted							
Stabilization by State Statute	195,531	-	-	-	-	-	195,531
School Capital Outlay	-	-	-	-	401,962	-	401,962
Individual Schools	-	-	-	-	-	162,226	162,226
Programs	-	-	-	173,891	-	-	173,891
Assigned							
Designated for subsequent year's expenditures	1,295,149	-	-	153,500	770,641	-	2,219,290
Unassigned							
General fund	3,427,457	-	-	-	-	-	3,427,457
Total Fund Balances	4,951,363	-	-	327,391	1,172,603	162,226	6,613,583
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,237,128	\$ 9,724	\$ 8,638	\$ 508,142	\$ 1,424,509	\$ 192,113	\$ 7,380,254

See notes to financial statements.

Asheboro City Board of Education
Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Position
June 30, 2013

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

Ending fund balance - governmental funds	\$ 6,613,583
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	37,695,938
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	163,740
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	<u>(2,242,763)</u>
Net position of governmental activities	<u><u>\$ 42,230,498</u></u>

See notes to financial statements.

Asheboro City Board of Education
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	Major Funds						Total Governmental Funds
	General	State Public School Fund	Federal Grants Fund	Other Restricted Fund	Capital Outlay Fund	Individual Schools Fund	
Revenues							
State of North Carolina	\$ -	\$ 26,449,662	\$ -	\$ 742,765	\$ 7,901	\$ -	\$ 27,200,328
Randolph County	4,509,596	-	-	-	2,625,660	-	7,135,256
U.S. Government	-	-	4,104,625	203,940	-	-	4,308,565
Other	3,339,765	-	-	329,799	30,994	798,636	4,499,194
Total Revenues	<u>7,849,361</u>	<u>26,449,662</u>	<u>4,104,625</u>	<u>1,276,504</u>	<u>2,664,555</u>	<u>798,636</u>	<u>43,143,343</u>
Expenditures							
Current:							
Instructional Programs							
Regular	1,699,744	16,520,775	444,031	155,538	-	816,319	19,636,407
Special Populations	120,353	3,727,157	1,141,874	124,113	-	-	5,113,497
Alternative Programs	429,876	530,172	1,967,498	694,820	-	-	3,622,366
School Leadership	653,741	1,711,159	-	-	-	-	2,364,900
Co-curricular	186,839	-	-	-	-	-	186,839
School-based Support	400,850	1,770,034	411,782	125,408	-	-	2,708,074
System-wide Support Services							
Support and Development	250,592	-	-	-	-	-	250,592
Special Population	121,000	159,662	66,537	50,620	-	-	397,819
Technology Support	394,776	33,947	-	-	-	-	428,723
Operational Support	1,630,239	1,361,445	49,868	815,783	-	-	3,857,335
Financial and Human Resource	549,354	217,764	-	-	-	-	767,118
Accountability	136,643	26,853	-	-	-	-	163,496
System-wide Pupil Support	226,931	46,561	-	-	-	-	273,492
Policy, Leadership and Public Relations	596,067	299,133	-	-	-	-	895,200
Non-programmed Charges	6,676	-	23,035	-	-	-	29,711
Capital Outlay							
Real property and buildings	-	-	-	-	2,509,060	-	2,509,060
Furniture and equipment	-	-	-	-	164,638	-	164,638
Buses and motor vehicles	-	-	-	-	89,011	-	89,011
Total expenditures	<u>7,403,681</u>	<u>26,404,662</u>	<u>4,104,625</u>	<u>1,966,282</u>	<u>2,762,709</u>	<u>816,319</u>	<u>43,458,278</u>
Excess (deficiency) of revenues over (under) expenditures	<u>445,680</u>	<u>45,000</u>	<u>-</u>	<u>(689,778)</u>	<u>(98,154)</u>	<u>(17,683)</u>	<u>(314,935)</u>
Other financing sources (uses)							
Transfers out	(5,892)	(45,000)	-	-	-	-	(50,892)
Total other financing sources (uses)	<u>(5,892)</u>	<u>(45,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,892)</u>
Net change in fund balances	439,788	-	-	(689,778)	(98,154)	(17,683)	(365,827)
Fund balance - beginning	4,512,535	-	-	1,017,169	1,270,757	179,909	6,980,370
Decrease in reserve for inventory	(960)	-	-	-	-	-	(960)
Fund balance - ending	<u>\$ 4,951,363</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 327,391</u>	<u>\$ 1,172,603</u>	<u>\$ 162,226</u>	<u>\$ 6,613,583</u>

See notes to financial statements.

Asheboro City Board of Education
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 2013

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

Net change in fund balances - total governmental funds	\$	(365,827)
Change in fund balance due to change in reserve for inventory		(960)
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 outlay expense exceeds depreciation.		1,374,346
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property, vehicle tax, E-Rate receivable		62,780
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.		
Compensated absences		(256,612)
Loss on disposal of assets		(5,031)
		(5,031)
Total changes in net position of governmental activities	\$	808,696

Asheboro City Board of Education
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended June 30, 2013

General Fund				
	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Randolph County	\$ 4,506,116	\$ 4,506,116	\$ 4,509,596	\$ 3,480
Other	3,143,884	3,228,884	3,339,765	110,881
Total Revenues	<u>7,650,000</u>	<u>7,735,000</u>	<u>7,849,361</u>	<u>114,361</u>
Expenditures				
Instructional Programs				
Regular	1,345,700	1,734,506	1,699,744	34,762
Special Populations	182,600	188,418	120,353	68,065
Alternative Programs	405,700	441,230	429,876	11,354
School Leadership	780,600	711,000	653,741	57,259
Co-curricular	200,000	200,000	186,839	13,161
School-based Support	429,500	412,653	400,850	11,803
System-wide Support Services				
Support and Development	175,100	262,031	250,592	11,439
Special Population	116,700	131,210	121,000	10,210
Technology Support	401,700	406,700	394,776	11,924
Operational Support	2,549,900	1,710,573	1,630,239	80,334
Financial and Human Resource	293,300	560,694	549,354	11,340
Accountability	32,700	146,845	136,643	10,202
System-wide Pupil Support	190,300	237,490	226,931	10,559
Policy, Leadership and Public Relations	907,200	702,970	596,067	106,903
Non-programmed Charges	-	9,000	6,676	2,324
Total expenditures	<u>8,011,000</u>	<u>7,855,320</u>	<u>7,403,681</u>	<u>451,639</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(361,000)</u>	<u>(120,320)</u>	<u>445,680</u>	<u>566,000</u>
Other financing sources (uses)				
Transfers out	-	(6,000)	(5,892)	108
Appropriated fund balance	361,000	126,320	-	(126,320)
Total other financing sources (uses)	<u>361,000</u>	<u>120,320</u>	<u>(5,892)</u>	<u>(126,212)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>439,788</u>	<u>\$ 439,788</u>
Fund balance - beginning			4,512,535	
Decrease in reserve for inventory			(960)	
Fund balance - ending			<u>\$ 4,951,363</u>	

Asheboro City Board of Education
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - State Public School Fund
For the Year Ended June 30, 2013

	State Public School Fund			
	Original Budget	Final Budget	Actual	Variance With Final Positive Negative
Revenues				
State of North Carolina	\$ 28,477,000	\$ 27,470,473	\$ 26,449,662	\$ (1,020,811)
Total Revenues	<u>28,477,000</u>	<u>27,470,473</u>	<u>26,449,662</u>	<u>(1,020,811)</u>
Expenditures				
Instructional Programs				
Regular	17,691,323	17,094,074	16,520,775	573,299
Special Populations	4,032,816	3,871,996	3,727,157	144,839
Alternative Programs	815,864	538,027	530,172	7,855
School Leadership	1,877,200	1,737,890	1,711,159	26,731
School-based Support	1,798,550	1,825,096	1,770,034	55,062
System-wide Support Services				
Special Population	144,827	160,128	159,662	466
Technology Support	109,500	168,603	33,947	134,656
Operational Support	1,377,993	1,397,506	1,361,445	36,061
Financial and Human Resource	239,620	226,584	217,764	8,820
Accountability	128,262	52,912	26,853	26,059
System-wide Pupil Support	47,700	47,620	46,561	1,059
Policy, Leadership and Public Relations	168,345	305,037	299,133	5,904
Total expenditures	<u>28,432,000</u>	<u>27,425,473</u>	<u>26,404,662</u>	<u>1,020,811</u>
Excess (deficiency) of revenues over (under) expenditures	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Other financing sources (uses)				
Transfers out	(45,000)	(45,000)	(45,000)	-
Total other financing sources (uses)	<u>(45,000)</u>	<u>(45,000)</u>	<u>(45,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning			-	
Fund balance - ending			<u>\$ -</u>	

Asheboro City Board of Education
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Federal Grants Fund
For the Year Ended June 30, 2013

	Federal Grants Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
U.S. Government	\$ 5,491,953	\$ 5,558,303	\$ 4,104,625	\$ (1,453,678)
Total Revenues	<u>5,491,953</u>	<u>5,558,303</u>	<u>4,104,625</u>	<u>(1,453,678)</u>
Expenditures				
Instructional Programs				
Regular	423,203	462,091	444,031	18,060
Special Populations	1,731,256	1,817,312	1,141,874	675,438
Alternative Programs	2,009,969	2,101,915	1,967,498	134,417
School-based Support	907,547	753,237	411,782	341,455
System-wide Support Services				
Support and Development	3,900	-	-	-
Special Population	228,824	228,824	66,537	162,287
Operational Support	64,442	84,441	49,868	34,573
Accountability	4,900	-	-	-
Non-programmed Charges	117,912	110,483	23,035	87,448
Total expenditures	<u>5,491,953</u>	<u>5,558,303</u>	<u>4,104,625</u>	<u>1,453,678</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning			<u>-</u>	
Fund balance - ending			<u>\$ -</u>	

Asheboro City Board of Education
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Other Restricted Fund
For the Year Ended June 30, 2013

	Other Restricted Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
State of North Carolina	\$ 715,000	\$ 715,000	\$ 742,765	\$ 27,765
U.S. Government	235,000	230,510	203,940	(26,570)
Other	720,200	639,690	329,799	(309,891)
Total Revenues	<u>1,670,200</u>	<u>1,585,200</u>	<u>1,276,504</u>	<u>(308,696)</u>
Expenditures				
Instructional Programs				
Regular	556,000	201,989	155,538	46,451
Special Populations	102,800	129,064	124,113	4,951
Alternative Programs	654,400	695,186	694,820	366
Co-curricular	60,000	-	-	-
School-based Support	171,300	247,110	125,408	121,702
System-wide Support Services				
Support and Development	47,200	-	-	-
Special Population	112,300	109,085	50,620	58,465
Operational Support	63,300	1,137,766	815,783	321,983
Financial and Human Resource	203,200	-	-	-
Accountability	49,700	-	-	-
Total expenditures	<u>2,020,200</u>	<u>2,520,200</u>	<u>1,966,282</u>	<u>553,918</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(350,000)</u>	<u>(935,000)</u>	<u>(689,778)</u>	<u>245,222</u>
Other financing sources (uses)				
Appropriated fund balance	350,000	935,000	-	(935,000)
Total other financing sources (uses)	<u>350,000</u>	<u>935,000</u>	<u>-</u>	<u>(935,000)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(689,778)</u>	<u>\$ (689,778)</u>
Fund balance - beginning			<u>1,017,169</u>	
Fund balance - ending			<u>\$ 327,391</u>	

See notes to financial statements.

Asheboro City Board of Education
Statement of Net Position
Proprietary Funds
June 30, 2013

	<u>Major</u>	<u>Nonmajor</u>	
	<u>School Food</u>	<u>Child</u>	
	<u>Service</u>	<u>Care</u>	
	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 687,229	\$ -	\$ 687,229
Due from other governments	53,077	-	53,077
Due from other funds	1,121	-	1,121
Inventories	133,014	-	133,014
Total current assets	874,441	-	874,441
Noncurrent assets			
Capital assets (net of accumulated depreciation where applicable)	217,614	-	217,614
Total noncurrent assets	217,614	-	217,614
Total assets	1,092,055	-	1,092,055
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	33,111	-	33,111
Due to other funds	34,459	-	34,459
Unearned revenue	9,369	-	9,369
Compensated absences payable	9,074	-	9,074
Total current liabilities	86,013	-	86,013
Total liabilities	86,013	-	86,013
Net position			
Net investment in capital assets	217,614	-	217,614
Unrestricted	788,428	-	788,428
Total net position	\$ 1,006,042	\$ -	\$ 1,006,042

See notes to financial statements.

Asheboro City Board of Education
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	<u>Major</u>	<u>Nonmajor</u>	
	<u>School Food</u>	<u>Child</u>	
	<u>Service</u>	<u>Care</u>	
	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
Operating revenues			
Food sales	\$ 578,722	\$ -	\$ 578,722
Child care fees	-	28,168	28,168
Total operating revenues	<u>578,722</u>	<u>28,168</u>	<u>606,890</u>
Operating expenses			
Food cost	1,143,915	-	1,143,915
Salaries and benefits	1,192,933	30,925	1,223,858
Indirect costs	130,574	-	130,574
Materials and supplies	110,246	2,014	112,260
Contracted services	104,078	-	104,078
Depreciation	52,780	-	52,780
Other	22,454	-	22,454
Total operating expenses	<u>2,756,980</u>	<u>32,939</u>	<u>2,789,919</u>
Operating loss	<u>(2,178,258)</u>	<u>(4,771)</u>	<u>(2,183,029)</u>
Nonoperating revenue			
Federal reimbursements	2,042,517	-	2,042,517
Federal commodities	140,542	-	140,542
State reimbursements	5,290	-	5,290
Interest earned	789	-	789
Miscellaneous local revenue	2,336	-	2,336
Total nonoperating revenue	<u>2,191,474</u>	<u>-</u>	<u>2,191,474</u>
Loss before transfers	13,216	(4,771)	8,445
Transfers and contributions			
Transfers in	46,121	4,771	50,892
Total transfers and contributions	<u>46,121</u>	<u>4,771</u>	<u>50,892</u>
Change in net position	59,337	-	59,337
Total net position - beginning	<u>946,705</u>	<u>-</u>	<u>946,705</u>
Total net position - ending	<u>\$ 1,006,042</u>	<u>\$ -</u>	<u>\$ 1,006,042</u>

See notes to financial statements.

Asheboro City Board of Education

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

	<u>Major</u> <u>School Food</u> <u>Service</u> <u>Fund</u>	<u>Nonmajor</u> <u>Child</u> <u>Care</u> <u>Fund</u>	<u>Total</u>
Cash flows from operating activities			
Cash received from customers	\$ 578,722	\$ 28,168	\$ 606,890
Cash paid for goods and services	(1,638,017)	(2,014)	(1,640,031)
Cash paid to employees for services	(1,152,409)	(26,154)	(1,178,563)
Net cash used in operating activities	<u>(2,211,704)</u>	<u>-</u>	<u>(2,211,704)</u>
Cash flows from noncapital financing activities			
Federal reimbursements	2,042,517	-	2,042,517
State reimbursements	5,290	-	5,290
Miscellaneous local revenue	2,336	-	2,336
Net cash provided by noncapital financing activities	<u>2,050,143</u>	<u>-</u>	<u>2,050,143</u>
Cash flows from capital and related financing activities			
Acquisition of capital assets	(30,174)	-	(30,174)
Net cash used in capital and related financing activities	<u>(30,174)</u>	<u>-</u>	<u>(30,174)</u>
Cash flows from investing activities			
Interest on investments	789	-	789
Net cash provided by investing activities	<u>789</u>	<u>-</u>	<u>789</u>
Net decrease in cash and cash equivalents	(190,946)	-	(190,946)
Cash and cash equivalents, July 1	<u>878,175</u>	<u>-</u>	<u>878,175</u>
Cash and cash equivalents, June 30	<u>\$ 687,229</u>	<u>\$ -</u>	<u>\$ 687,229</u>
Reconciliation of operating loss to net cash used in operating activities			
Operating loss	\$ (2,178,258)	\$ (4,771)	\$ (2,183,029)
Adjustments to reconcile operating loss to net cash used in operating activities			
Depreciation	52,780	-	52,780
Donated commodities	140,542	-	140,542
Expenses paid by other funds	46,121	4,771	50,892
Change in assets and liabilities			
Increase in accounts receivable	43,586	-	43,586
Decrease in inventories	(61,605)	-	(61,605)
Increase in accounts payable and accrued liabilities	(249,273)	-	(249,273)
Increase in accrued salaries and benefits	(5,597)	-	(5,597)
Total adjustments	<u>(33,446)</u>	<u>4,771</u>	<u>(28,675)</u>
Net cash used in operating activities	<u>\$ (2,211,704)</u>	<u>\$ -</u>	<u>\$ (2,211,704)</u>

Noncash investing, capital, and financing activities:

The State Public School Fund paid salaries and benefits of \$45,000 to administrative personnel of the School Food Service Fund during the fiscal year. The General Fund paid meal charges of \$1,121 to the School Food Service Fund during the fiscal year. The Special Revenue Fund paid salaries and benefits of \$4,771 to personnel of the Child Care Fund during the fiscal year. The payments are reflected by transfers in and operating expenses on Exhibit G.

The School Food Service Fund received donated commodities with a value of \$140,542 during the fiscal year. The receipt of the commodities is recognized as a nonoperating revenue. The Fund recorded the consumption of the donated commodities during the fiscal year as an operating expense. These transactions are reported on Exhibit G.

Asheboro City Board of Education**NOTES TO THE FINANCIAL STATEMENTS****For the Year Ended June 30, 2013****I. Summary of Significant Accounting Policies**

The accounting policies of the Asheboro City Board of Education conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Asheboro City Board of Education (the “Board”) is a Local Education Agency empowered by State law, Chapter 115C of the North Carolina General Statutes, with the responsibility to oversee and control all activities related to public school education in Asheboro, North Carolina. The Board receives Federal, State, and local government funding and must adhere to the legal requirements of each funding entity.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities present information about the Board. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the effect of internal activities upon revenues and expenses. These statements distinguish between the *governmental* and *business-type activities* of the Board. 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 statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Board and for each function of the Board’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 Board’s funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

I. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

The Board reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the Board. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. This fund is the “Local Current Expense Fund,” which is mandated by State law [G.S. 115C-426].

State Public School Fund. The State Public School Fund includes appropriations from the Department of Public Instruction for the current operating expenditures of the public school system.

Federal Grants Fund. The Federal Grants Fund includes appropriations from the federal government that pass through the Department of Public Instruction for the current operating expenditures of the public school system.

Other Restricted Fund. The Other Restricted Fund includes appropriations from various sources not required to be recorded in other funds.

Capital Outlay Fund. The Capital Outlay Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds) and is reported as a capital projects fund. It is mandated by state law [G.S. 115C-426]. Capital projects are funded by Asheboro City appropriations, restricted sales tax monies, proceeds of Asheboro City Board of Education bonds issued for public school construction, lottery proceeds, as well as certain State assistance.

Individual Schools Fund. The Individual Schools Fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on the behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fund raising activities. The primary expenditures are for athletic teams, club programs, activity buses, and instructional needs. The Individual Schools Fund is reported as a special revenue fund.

The Board reports the following major enterprise fund:

School Food Service Fund. The School Food Service Fund is used to account for the food service program within the school system and is reported as an enterprise fund.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

I. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Board 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 Board 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 claims and judgments and compensated absences, which are recognized to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

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

D. Budgetary Data

The Board's budgets are adopted as required by the North Carolina General Statutes. Annual budgets are adopted for all funds, except for the individual schools special revenue funds, as required by the North Carolina General Statutes. No budget is required by State law for individual school funds. All appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the purpose level for all annually budgeted funds. The Board has authorized the Superintendent to move monies from one purpose to another within a fund. Amendments are required for any revisions that alter total expenditures of any fund. All amendments must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

I. Summary of Significant Accounting Policies (Continued)

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Fund Equity

1. Deposits and Investments

All deposits of the Board are made in board-designated official depositories and are secured as required by State law [G.S. 115C-444]. The Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit. The Board also has money credited in its name with the State Treasurer and may issue State warrants against these funds.

State law [G.S. 115C-443] authorizes the Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; the North Carolina Capital Management Trust (NCCMT), an SEC-registered (2a-7) money market mutual fund; and the North Carolina State Treasurer's Short-Term Investment Fund (STIF).

The STIF is managed by the staff of the Department of State Treasurer and operated in accordance with state laws and regulations. It is not registered with the SEC. It consists of an internal portion and an external portion in which the board participates. Investments are restricted to those enumerated in G.S. 147-69.1.

2. Cash and Cash Equivalents

The Board pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

3. Inventories

Inventories of the Board are valued at cost and the Board uses the first-in, first-out (FIFO) flow assumption in determining cost. The inventories of the Board's General Fund consist of expendable materials and supplies, which are recorded as expenditures when purchased. The General Fund inventories do not reflect current appropriable resources and, thus, an equivalent portion of fund balance is reserved. Proprietary Fund inventories consist of food and supplies and are recorded as expenses when consumed.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

I. Summary of Significant Accounting Policies (Continued)

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

4. Capital Assets

The Board's capital assets are recorded at original cost. Donated assets are listed at their estimated fair value at the date of donation or forfeiture. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. Certain items acquired before July 1, 1970 are recorded at an estimated original historical 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 Board to capitalize all capital assets costing more than \$2,000 with an estimated useful life of three or more years. 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.

Randolph County holds title to certain properties, which are reflected as capital assets in the financial statements of the Board. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board gives the schools full use of the facilities, full responsibility for maintenance of the facilities, and provides that the County will convey title of the property back to the Board, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met.

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

	<u>Years</u>
Buildings	50
Land and building improvements	20
Equipment and furniture	3-12
Vehicles and motorized equipment	6
Technology equipment	5

Depreciation for building and equipment that serve multiple purposes cannot be allocated ratably and is therefore reported as "unallocated depreciation" on the Statement of Activities.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

I. Summary of Significant Accounting Policies (Continued)

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

5. Deferred Inflows of Resources

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 Board has three items that meet this criterion – supplemental taxes receivable in the General Fund, grants receivable in the Other Restricted Fund, and sales tax refunds receivable in each of the Governmental Funds.

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.

7. Compensated Absences

The Board follows the State's policy for vacation and sick leave. Employees may accumulate up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the Board, the current portion of the accumulated vacation pay is not considered to be material. The Board's liability for accumulated earned vacation and the salary-related payments as of June 30, 2013 is recorded in the government-wide and proprietary fund financial statements on a FIFO basis. An estimate has been made based on prior years' records, of the current portion of compensated absences.

The sick leave policy of the Board 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 Board 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 and proprietary fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments, or imposed by law through State statute.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

I. Summary of Significant Accounting Policies (Continued)

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

Fund Balance

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

The governmental fund types classify fund balances 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.

Inventories - portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

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

Restricted for Stabilization by State Statute - portion of fund balance that is restricted by State Statute [G.S. 115C-425(a)].

Restricted for School Capital Outlay - portion of fund balance that can only be used for School Capital Outlay [G.S. 159-18 through 22].

Restricted for Individual Schools - revenue sources restricted for expenditures for the various clubs and organizations, athletic events, and various fund raising activities for which they were collected.

Restricted for Programs – revenue sources restricted in purpose and not intended for general K-12 expenditures.

Assigned fund balance – portion of fund balance that the Board intends to use for specific purposes.

Subsequent year's expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however the budget ordinance authorizes the finance officer to modify the appropriations by resource or appropriation within funds.

Unassigned fund balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

I. Summary of Significant Accounting Policies (Continued)

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

9. Reconciliation of Government-wide and Fund Financial Statements

- (a) Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The net adjustment of \$35,616,915 consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Total Capital Assets	\$ 61,953,058
Less Accumulated Depreciation	(24,257,120)
Net Capital Assets	37,695,938
 Accounts receivable recorded in the government-wide statements as these funds are not available and therefore unavailable in the fund statements:	163,740
 Liabilities for revenue unavailable but earned and therefore recorded in the fund statements but not the government-wide statements:	
Compensated Absences	(2,242,763)
 Total adjustment	\$ 35,616,915

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

I. Summary of Significant Accounting Policies (Continued)

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

9. Reconciliation of Government-wide and Fund Financial Statements (Continued)

- (b) Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$1,174,523 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 2,658,336
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(1,283,990)
Expenses reported in 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	(256,612)
Loss on disposal of assets	(5,031)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Property, vehicle tax and E-Rate receivable	62,780
Adjustment due to the use of the consumption method of recording inventory in the government-wide statements	(960)
Total adjustment	<u>\$ 1,174,523</u>

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups

A. Assets

1. Deposits

All of the Board's deposits are insured or collateralized by using the Pooling Method. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Board, these deposits are considered to be held by the agent in the entity's name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Board has no policy regarding custodial credit risk for deposits.

At June 30, 2013, the Board had deposits with banks and savings and loans with a carrying amount of \$7,447,078. The bank balances with the financial institutions and the State Treasurer were \$7,876,026 and \$1,677,327, respectively. Of these balances, \$500,000 was covered by federal depository insurance and \$9,053,353 was covered by collateral held by authorized escrow agents in the name of the State Treasurer.

2. Accounts Receivable

Receivables at the government-wide level at June 30, 2013, were as follows:

	Due from other funds (Internal Balances)	Due from other governments	Other
Governmental activities			
General Fund	\$ 22,122	\$ 141,375	\$ 8,767
Other governmental activities	11,216	322,273	61,303
Total	<u>\$ 33,338</u>	<u>\$ 463,648</u>	<u>\$ 70,070</u>
Business-type activities			
School Food Service	\$ (33,338)	\$ 53,077	\$ -
Total	<u>\$ (33,338)</u>	<u>\$ 53,077</u>	<u>\$ -</u>

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

A. Assets (Continued)

2. Accounts Receivable (Continued)

Due from other governments consists of the following:

General Fund	\$ 141,375	Miscellaneous revenues from State and County
State Public School Funds	9,724	Operating Revenue from DPI
Federal Grant Funds	8,638	Sales tax refund from State
Other Restricted Funds	117,150	Miscellaneous revenues from State, County, and Grants
Capital Outlay Fund	180,163	Sales tax refund from State
Individual Schools Fund	<u>6,598</u>	Sales tax refund from State
Total	<u><u>\$ 463,648</u></u>	
Business-type activities		
School Food Service Fund	<u><u>\$ 53,077</u></u>	Miscellaneous revenues from State and Federal

3. Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities				
Capital assets not being depreciated				
Land	\$ 3,038,935	\$ -	\$ -	\$ 3,038,935
Construction in progress	120,448	2,372,797	-	2,493,245
Total capital assets not being depreciated	<u>3,159,383</u>	<u>2,372,797</u>	<u>-</u>	<u>5,532,180</u>
Capital assets being depreciated				
Buildings	50,830,561	58,222	(11,873)	50,876,910
Land improvements	1,271,861	43,870	-	1,315,731
Furniture, equipment and vehicles	4,384,881	183,447	(340,091)	4,228,237
Total capital assets being depreciated	<u>56,487,303</u>	<u>285,539</u>	<u>(351,964)</u>	<u>56,420,878</u>
Total capital assets	<u>59,646,686</u>	<u>2,658,336</u>	<u>(351,964)</u>	<u>61,953,058</u>
Less accumulated depreciation for				
Buildings	18,883,301	999,789	(10,285)	19,872,805
Land improvements	949,070	27,251	-	976,321
Furniture, equipment and vehicles	3,487,692	256,950	(336,648)	3,407,994
Total accumulated depreciation	<u>23,320,063</u>	<u>\$ 1,283,990</u>	<u>\$ (346,933)</u>	<u>24,257,120</u>
Total capital assets being depreciated, net	<u>33,167,240</u>			<u>32,163,758</u>
Governmental activity capital assets, net	<u><u>\$ 36,326,623</u></u>			<u><u>\$ 37,695,938</u></u>

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

A. Assets (Continued)

3. Capital Assets (Continued)

Depreciation was charged to governmental functions as follows:

Unallocated depreciation	\$ 1,255,590
Co-curricular services	18,591
Operational support services	9,809
Total	<u><u>\$ 1,283,990</u></u>

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type activities				
School Food Service Fund				
Capital assets being depreciated				
Equipment and vehicles	\$ 1,128,583	\$ 30,174	\$ (23,288)	\$ 1,135,469
Total capital assets being depreciated	<u>1,128,583</u>	<u>30,174</u>	<u>(23,288)</u>	<u>1,135,469</u>
Less accumulated depreciation for				
Equipment and vehicles	888,363	52,780	(23,288)	917,855
Total accumulated depreciation	<u>888,363</u>	<u>\$ 52,780</u>	<u>\$ (23,288)</u>	<u>917,855</u>
Business-type activities capital assets, net	<u><u>\$ 240,220</u></u>			<u><u>\$ 217,614</u></u>

Construction Commitments

The Board has active construction projects as of June 30, 2013. The projects include the Early Childhood Development Center that includes the replacement of a building and renovation of additional buildings on the same campus and the replacement of the Asheboro High School restroom/concessions building at the Lee J. Stone Stadium. At year-end, the County's commitments with contractors for school construction are as follows:

<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Early Childhood Development Center	\$ 1,880,353	\$ 166,847
Asheboro High School - restroom/concessions building	177,655	245,945
Total	<u><u>\$ 2,058,008</u></u>	<u><u>\$ 412,792</u></u>

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

B. Liabilities

1. Pension Plan and Other Postemployment Obligations

a. Teachers' and State Employees' Retirement System

Plan Description. The Asheboro City Board of Education contributes to 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 provides retirement benefits to plan members and beneficiaries. Article 1 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. 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.

Funding Policy. Plan members are required to contribute six percent of their annual covered salary and the Board is required to contribute at an actuarially determined rate. The current rate is 8.33% of annual covered payroll. The contribution requirements of plan members and the Asheboro City Board of Education are established and may be amended by the North Carolina General Assembly. The Board's contributions to TSERS for the years ended June 30, 2013, 2012, and 2011 were \$2,099,649, \$1,815,067, and \$1,234,502, respectively, equal to the required contributions for each year.

b. Other Post-employment Benefits

i. Healthcare Benefits

Plan Description. The post-employment health care 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 provision 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. The assets shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. The contributions are irrevocable. Also by law, these assets are not subject to the claims of creditors of the employers making contributions to the Plan.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

B. Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

b. Other Post-employment Benefits (Continued)

i. 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 establish 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, 2013, 2012, and 2011, the School Board paid all annual required contributions to the Plan for postemployment healthcare benefits of \$1,335,911, \$1,219,803, and \$1,226,990, respectively. These contributions represented 5.30%, 5.00%, and 4.90% of covered payroll, respectively.

Asheboro City Board of Education

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

B. Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

b. Other Post-employment Benefits (Continued)

ii. 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.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

B. Liabilities (Continued)

1. Pension Plan and Other Postemployment Obligations (Continued)

b. Other Post-employment Benefits

ii. 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 you might be entitled should you 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 are 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 Board'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 another postemployment benefit. For the fiscal years ended June 30, 2013, 2012, and 2011, the Board paid all annual required contributions to the DIPNC for disability benefits of \$110,906, \$126,860, and \$130,211, respectively. These contributions represented .44%, .52%, and .52% of covered payroll, respectively.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

B. Liabilities (Continued)

2. Accounts Payable

Accounts payable and accrued salaries and wages at June 30, 2013 are as follows:

	<u>Accounts Payable</u>	<u>Salaries and Benefits</u>
Governmental activities		
General	\$ 70,859	\$ 111,348
Other governmental	269,492	15,393
Total-governmental activities	<u>\$ 340,351</u>	<u>\$ 126,741</u>
 Business-type activities		
School Food Service	\$ 33,111	\$ -
Total business-type activities	<u>\$ 33,111</u>	<u>\$ -</u>

3. Deferred Inflows of Resources

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

	<u>Unavailable Revenue</u>	<u>Unearned Revenue</u>
Governmental Activities		
Randolph County taxes receivable (General Fund)	\$ 102,437	\$ -
E-Rate receivable (Other Restricted Fund)	61,303	-
Grants not yet earned (Other Restricted Fund)	63,938	63,938
Sales tax refunds receivable (Other Restricted Fund)	33,345	33,345
Sales tax refunds receivable (State Public School Fund)	389	389
Sales tax refunds receivable (Federal Grant Fund)	5,512	5,512
Sales tax refunds receivable (Capital Outlay Fund)	5,934	5,934
Sales tax refunds receivable (Individual Schools Fund)	6,598	6,598
Total governmental activities	<u>\$ 279,456</u>	<u>\$ 115,716</u>

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

B. Liabilities (Continued)

4. Risk Management

The Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board participates in the North Carolina School Boards Trust (the Trust), a member funded risk management program administered by the North Carolina School Boards Association. Through the Trust, the Board maintains general liability and errors and omissions coverage of \$1 million per claim. The Trust has an annual aggregate limit for general liability of \$2,550,000 and an annual aggregate limit of \$2,550,000 for errors and omissions claims. The Trust is reinsured through commercial companies for losses in excess of \$150,000 per claim for errors and omissions and general liability coverage.

Key Risk Insurance Company provides workers' compensation coverage up to the statutory limits for employees to the extent they are paid from Federal and Local funds. Workers' Compensation coverage is provided by the State of North Carolina through a self-insured fund, to the extent employees are paid from State funds.

The Board participates in the Public School Insurance Fund (the Fund), a voluntary, self-insured risk control and risk-financing fund administered by the North Carolina Department of Public Instruction. The Fund insures the tangible property assets of the Board. Coverage is provided on an "all risk" perils contract. Buildings and contents are insured on a replacement cost basis. The Fund purchases excess reinsurance to protect the assets of the Fund in the event of a catastrophic event. The Fund maintains a self-insured retention of \$10 million. Excess reinsurance is purchased through commercial insurers. A limit of \$5 million per occurrence is provided on Flood, Earthquake, Business Interruption and Extra Expense. \$10 million per occurrence is provided on Increased Cost of Construction.

The North Carolina School Boards Trust also provides auto coverage through the Automobile and Inland Marine Fund. Through the Trust, the Asheboro City Board of Education maintains combined single limit bodily injury and physical damage coverage of \$1,000,000, uninsured/underinsured motorist coverage of \$1,000,000, auto medical payments coverage of \$2,000, and comprehensive and collision coverage of actual current value.

The Board also participates in the Teachers' and State Employees' Comprehensive Major Medical Plan (the 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 Board are eligible to receive health care benefits up to a \$5 million lifetime limit. The Board pays the full cost of coverage for employees enrolled in the Comprehensive Major Medical Plan.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

B. Liabilities (Continued)

4. Risk Management (Continued)

In accordance with G.S. 115C-442, the Board's employees who have custody of the Board's monies at any given time of the Board's funds are performance bonded through a commercial surety bond. The finance officer is bonded for \$250,000. The remaining employees that have access to funds are bonded under a blanket bond for \$50,000.

The Board 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 three fiscal years.

5. Contingent Liabilities

At June 30, 2013, the Board was a defendant to various lawsuits. In the opinion of the Board's management and the Board's attorney, the ultimate effect of these legal matters will not have a material adverse effect on the Board's financial position.

6. Long-Term Obligations – Compensated Absences

The following is a summary of changes in the Board's long-term obligations for the fiscal year ended June 30, 2013:

	Beginning Balance		Increases		Decreases		Ending Balance		Current Portion
Governmental activities:									
Compensated absences	\$ 1,986,151	\$	1,794,472	\$	(1,537,860)	\$	2,242,763	\$	1,537,860
Business-type activities:									
Compensated absences	\$ 14,671	\$	7,454	\$	(13,051)	\$	9,074	\$	9,074

Compensated absences for governmental activities are typically liquidated by the general and other governmental funds.

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

II. Detail Notes on all Funds and Account Groups (Continued)

C. Interfund Balances and Activity

Transfers to/from other funds at June 30, 2013, consist of the following:

Description	Amount
From the General Fund to the Child Care Fund for salary costs.	\$ 4,771
From the General Fund to the School Food Service Fund for meal charges.	\$ 1,121
From the State Public School Fund to the School Food Service Fund for salary costs.	\$ 45,000

D. Fund Balance

The Board of Education has a revenue spending policy that provides policy for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: 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 Finance Officer has the authority to deviate from this policy if it is in the best interest of the Board of Education.

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

Total fund balance - General Fund	\$ 4,951,363
Less:	
Inventories	33,226
Stabilization by State Statute	195,531
Appropriated Fund Balance in 2014 budget	1,295,149
Remaining Fund Balance	\$ 3,427,457

Encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Encumbrances	General Fund	Capital Outlay Fund
	\$22,146	\$505,039

Asheboro City Board of Education
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

III. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The Board 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.

IV. Subsequent Events

The Board has evaluated subsequent events through November 11, 2013, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

V. Change in Accounting Principles

The Board implemented Governmental Accounting Standards Board (GASB) Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement 65, *Items Previously reported as Assets and Liabilities*, in the fiscal year ending June 30, 2013. In accordance with GASB Statement 63, the Statement of Net Assets has been replaced with the Statement of Net Position. Items on the Statement of Net Position are now classified into Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, or Net Position.

Asheboro City Board of Education

Detail Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual - General Fund

For the Year Ended June 30, 2013

	2013		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Randolph County			
Appropriation	\$ 4,506,116	\$ 4,506,116	\$ -
Timber receipts	-	3,480	3,480
Total Randolph County	<u>4,506,116</u>	<u>4,509,596</u>	<u>3,480</u>
Other revenue			
Supplemental taxes - school district	2,923,000	2,988,237	65,237
Fines and forfeitures	220,884	201,884	(19,000)
Interest earned on investments	-	935	935
Other	85,000	148,709	63,709
Total other revenue	<u>3,228,884</u>	<u>3,339,765</u>	<u>110,881</u>
Total revenues	<u>7,735,000</u>	<u>7,849,361</u>	<u>114,361</u>
Expenditures			
Instructional Programs			
Regular	1,734,506	1,699,744	34,762
Special Populations	188,418	120,353	68,065
Alternative Programs	441,230	429,876	11,354
School Leadership	711,000	653,741	57,259
Co-curricular	200,000	186,839	13,161
School-based Support	412,653	400,850	11,803
Total instructional programs	<u>3,687,807</u>	<u>3,491,403</u>	<u>196,404</u>
System-wide support services			
Support and Development	262,031	250,592	11,439
Special Population	131,210	121,000	10,210
Technology Support	406,700	394,776	11,924
Operational Support	1,710,573	1,630,239	80,334
Financial and Human Resource	560,694	549,354	11,340
Accountability	146,845	136,643	10,202
System-wide Pupil Support	237,490	226,931	10,559
Policy, Leadership and Public Relations	702,970	596,067	106,903
Total support services	<u>4,158,513</u>	<u>3,905,602</u>	<u>252,911</u>

Asheboro City Board of Education

**Detail Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual - General Fund**

For the Year Ended June 30, 2013

	2013		Variance Positive (Negative)
	Budget	Actual	
Expenditures, continued			
Non-programmed charges			
Payments to Other Governmental Units	\$ 9,000	\$ 6,676	\$ 2,324
Total non-programmed charges	<u>9,000</u>	<u>6,676</u>	<u>2,324</u>
Total expenditures	<u>7,855,320</u>	<u>7,403,681</u>	<u>451,639</u>
Revenue over (under) expenditures	<u>(120,320)</u>	<u>445,680</u>	<u>566,000</u>
Other financing sources			
Transfers to Other Funds	(6,000)	(5,892)	108
Appropriated fund balance	<u>126,320</u>	<u>-</u>	<u>(126,320)</u>
Excess of revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>439,788</u>	<u>\$ 439,788</u>
Fund balance at beginning of year, July 1		4,512,535	
Decrease in reserve for inventory		<u>(960)</u>	
Fund balance at end of year, June 30		<u>\$ 4,951,363</u>	

Asheboro City Board of Education

**Detail Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual - Capital Outlay Fund**

For the Year Ended June 30, 2013

	2013		Variance Positive (Negative)
	Budget	Actual	
Revenues			
State of North Carolina			
Sales & Use Tax	\$ -	\$ 7,901	\$ 7,901
Total State of North Carolina	-	7,901	7,901
Randolph County			
Appropriations from county-issued installment purchase	2,000,000	1,794,295	(205,705)
Appropriation	831,365	831,365	-
Total Randolph County	2,831,365	2,625,660	(205,705)
Other revenue			
Interest	-	187	187
Other	-	30,807	30,807
Total Other	-	30,994	30,994
Total revenues	2,831,365	2,664,555	(166,810)
Expenditures			
Capital outlay			
Real property and buildings			
Central office		2,450	
Asheboro High School		284,159	
Balfour		539	
Charles W. McCrary		1,153	
Donna Lee Loflin		9,575	
Guy B. Teachey		9,649	
Lindley Park		993	
North Asheboro Middle School		7,630	
Early Childhood Development Center		2,192,912	
Total land and buildings	3,297,089	2,509,060	788,029
Furniture and equipment			
Central office		72,250	
Asheboro High School		27,884	
South Asheboro Middle School		5,321	
Balfour		3,458	
Charles W. McCrary		636	
Donna Lee Loflin		4,338	
Guy B. Teachey		22,370	
Lindley Park		2,934	
North Asheboro Middle School		3,978	

Asheboro City Board of Education

**Detail Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual - Capital Outlay Fund**

For the Year Ended June 30, 2013

	2013		Variance Positive (Negative)
	Budget	Actual	
Expenditures, continued			
Capital outlay, continued			
Early Childhood Development Center		\$ 21,469	
Total equipment	\$ 260,717	164,638	\$ 96,079
Purchase of vehicles			
Central office	100,000	89,011	10,989
Total expenditures	3,657,806	2,762,709	895,097
Revenue over (under) expenditures	(826,441)	(98,154)	728,287
Other financing sources (uses)			
Appropriated fund balance	826,441	-	826,441
Excess of revenues and other sources over (under) expenditures and other uses	\$ -	(98,154)	\$ (98,154)
Fund balance at beginning of year, July 1		1,270,757	
Fund balance at end of year, June 30		\$ 1,172,603	

Asheboro City Board of Education

**Detail Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual - Federal Grants Fund**

For the Year Ended June 30, 2013

	2013		Variance Positive (Negative)
	Budget	Actual	
Revenues			
U.S. Government	\$ 5,558,303	\$ 4,104,625	\$ (1,453,678)
Expenditures			
Instructional Programs			
Regular	462,091	444,031	18,060
Special Populations	1,817,312	1,141,874	675,438
Alternative Programs	2,101,915	1,967,498	134,417
School-based Support	753,237	411,782	341,455
Total instructional programs	<u>5,134,555</u>	<u>3,965,185</u>	<u>1,169,370</u>
System-wide Support Services			
Special Population	228,824	66,537	162,287
Operational Support	84,441	49,868	34,573
Total support services	<u>313,265</u>	<u>116,405</u>	<u>196,860</u>
Non-programmed charges	<u>110,483</u>	<u>23,035</u>	<u>87,448</u>
Total expenditures	<u>5,558,303</u>	<u>4,104,625</u>	<u>1,453,678</u>
Revenue over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance at beginning of year, July 1		<u>-</u>	
Fund balance at end of year, June 30		<u>\$ -</u>	

Asheboro City Board of Education

**Detail Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual - Other Restricted Fund**

For the Year Ended June 30, 2013

	2013		Variance Positive (Negative)
	Budget	Actual	
Revenues			
State of North Carolina	\$ 715,000	\$ 742,765	\$ 27,765
U.S. Government	230,510	203,940	(26,570)
Other revenue			
Indirect cost	385,801	161,542	(224,259)
Tuition and fees	30,000	30,822	822
Rental of school property	10,000	8,686	(1,314)
Other	213,889	128,749	(85,140)
Total other revenue	639,690	329,799	(309,891)
Total revenues	1,585,200	1,276,504	(308,696)
Expenditures			
Instructional Programs			
Regular	201,989	155,538	46,451
Special Populations	129,064	124,113	4,951
Alternative Programs	695,186	694,820	366
School-based Support	247,110	125,408	121,702
Total instructional programs	1,273,349	1,099,879	173,470
System-wide support services			
Special Population	109,085	50,620	58,465
Operational Support	1,137,766	815,783	321,983
Total support services	1,246,851	866,403	380,448

Asheboro City Board of Education

**Detail Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual - Other Restricted Fund**

For the Year Ended June 30, 2013

	2013		Variance Positive (Negative)
	Budget	Actual	
Expenditures, continued			
Total expenditures	<u>\$ 2,520,200</u>	<u>\$ 1,966,282</u>	<u>\$ 553,918</u>
Revenue over (under) expenditures	<u>(935,000)</u>	<u>(689,778)</u>	<u>245,222</u>
Other financing sources			
Appropriated fund balance	<u>935,000</u>	<u>-</u>	<u>(935,000)</u>
Total other financing sources	<u>935,000</u>	<u>-</u>	<u>(935,000)</u>
Excess of revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>(689,778)</u>	<u>\$ (689,778)</u>
Fund balance at beginning of year, July 1		<u>1,017,169</u>	
Fund balance at end of year, June 30		<u>\$ 327,391</u>	

Asheboro City Board of Education

**Detail Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP) - School Food Service Fund**

For the Year Ended June 30, 2013

	2013		Variance Positive (Negative)
	Budget	Actual	
Operating revenues, food sales	\$ 835,000	\$ 569,353	\$ (265,647)
Operating expenditures			
Business support services			
Food cost		1,205,520	
Salaries and benefits		1,198,530	
Indirect costs		130,574	
Materials and supplies		110,246	
Contracted services		104,078	
Other		22,454	
Capital Outlay		30,174	
Total operating expenditures	<u>3,276,000</u>	<u>2,801,576</u>	<u>474,424</u>
Operating income (loss)	<u>(2,441,000)</u>	<u>(2,232,223)</u>	<u>208,777</u>
Nonoperating revenues			
Federal reimbursements	2,100,000	2,042,517	(57,483)
Federal commodities	290,000	140,542	(149,458)
State reimbursements	-	5,290	5,290
Interest earned	1,000	789	(211)
Miscellaneous local revenue	5,000	2,336	(2,664)
Total nonoperating revenues	<u>2,396,000</u>	<u>2,191,474</u>	<u>(204,526)</u>
Excess of revenues over (under) expenditures before other financing sources	<u>(45,000)</u>	<u>(40,749)</u>	<u>4,251</u>
Other financing sources			
Transfers in	45,000	46,121	1,121
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>5,372</u>	<u>\$ 5,372</u>
Reconciliation of modified accrual to full accrual basis			
Excess of revenues and other sources over expenditures			
Reconciling items			
Depreciation		(52,780)	
Equipment purchases		30,174	
Increase in accrued vacation pay		5,597	
Unearned revenue		9,369	
Decrease in inventory		61,605	
Change in net assets (full accrual)		<u>\$ 59,337</u>	

Asheboro City Board of Education

**Detail Schedule of Revenues and Expenditures -
Budget and Actual (Non-GAAP) - Child Care Fund**

For the Year Ended June 30, 2013

	<u>2013</u>		Variance Positive (Negative)
	<u>Budget</u>	<u>Actual</u>	
Revenues			
Child care fees	\$ 35,000	\$ 28,168	\$ (6,832)
Expenditures			
Current			
Salaries and benefits	32,100	30,925	1,175
Materials and supplies	2,900	2,014	886
Total expenditures	<u>35,000</u>	<u>32,939</u>	<u>2,061</u>
Excess of revenues over expenditures before other financing sources	<u>-</u>	<u>(4,771)</u>	<u>(4,771)</u>
Other financing sources			
Transfer - In	<u>-</u>	<u>4,771</u>	<u>4,771</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Report of Independent Auditor 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***

Asheboro City Board of Education
Asheboro, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Asheboro City Board of Education (the "Board") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated November 11, 2013.

Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify a deficiency in internal control, as described in the accompanying schedule of findings and questions costs at item 13-01 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from 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*.

Board's Response to Findings

The Board's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Board'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 Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Channing R. Ricketts LLP

Asheboro, North Carolina
November 11, 2013

**Report of Independent Auditor on Compliance for Each Major Federal Program and Internal Control
over Compliance in Accordance With OMB Circular A-133
and the State Single Audit Implementation Act**

Asheboro City Board of Education
Asheboro, North Carolina

Report on Compliance for Each Major Federal Program

We have audited the Asheboro City Board of Education (the "Board"), compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* and 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 Board's major federal programs for the year ended June 30, 2013. The Board's major federal programs are identified in the summary of auditor's 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 federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Board's major federal 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act 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 federal program occurred. An audit includes examining, on a test basis, evidence about the Board'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 federal program. However, our audit does not provide a legal determination of the Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133, and which is described in the accompanying schedule of findings and questioned costs as item 13-02. Our opinion on each major federal program is not modified with respect to this matter.

The Board's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Board 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 of compliance, we considered the Board's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 the Board'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 federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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 federal 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

 Cherry Roubert LLP

Asheboro, North Carolina
November 11, 2013

**Report of Independent Auditor on Compliance for Each Major State Program and
Internal Control Over Compliance in Accordance With OMB Circular A-133
and the State Single Audit Implementation Act**

Asheboro City Board of Education
Asheboro, North Carolina

Report on Compliance for Each Major State Program

We have audited the Asheboro City Board of Education (the "Board"), compliance 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 Board's major State programs for the year ended June 30, 2013. The Board's major State programs are identified in the summary of auditor's 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.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Board'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; applicable sections of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act 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 Board'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 Board's compliance.

Opinion on Each Major State Program

In our opinion, the Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with applicable sections of OMB Circular A-133 as described in the *Audit Manual for Governmental Auditors in North Carolina* and which is described in the accompanying schedule of findings and questioned costs as item 13-03. Our opinion on each major State program is not modified with respect to this matter.

The Board's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Board 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 of compliance, we considered the Board's internal control over compliance with the types of requirements that could have a direct and material effect on a major State program to determine the auditing procedures that are appropriate in the circumstances 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 OMB Circular A-133, 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 the Board'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 a 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 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Channing R. Ricketts LLP

Asheboro, North Carolina
November 11, 2013

ASHEBORO CITY BOARD OF EDUCATION

Schedule of Findings and Questioned Costs

Year Ended June 30, 2013

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) 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

Federal Awards

Internal control over major federal programs:

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

Noncompliance material to federal awards? yes no

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be Reported in accordance with Section 510(a) of Circular A-133? yes no

Identification of major federal programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I, Part A Cluster
84.010A	Basic and Concentration, Title I
	School Improvements, Title I
84.395	ARRA – Race to the Top

ASHEBORO CITY BOARD OF EDUCATION

Schedule of Findings and Questioned Costs

Year Ended June 30, 2013

Dollar threshold used to distinguish
between Type A and Type B Programs: \$ 300,000

Auditee qualified as low-risk auditee? X yes no

State Awards

Internal control over major State programs:

- Material weakness(es) identified? yes X no
- Significant Deficiency(s) identified that are
not considered to be material weaknesses? yes X none reported

Noncompliance material to State awards? yes X no

Type of auditor's 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? X yes no

Identification of major state programs:

Program Name

State Public School Fund
Vocational Education – State Months of Employment

ASHEBORO CITY BOARD OF EDUCATION

Schedule of Findings and Questioned Costs

Year Ended June 30, 2013

Section II – Financial Statement Findings

Finding 13-01

SIGNIFICANT DEFICIENCY

SEGREGATION OF DUTIES AT INDIVIDUAL SCHOOLS

Criteria: Duties within a department or function should be separated so that one person does not perform processing from the beginning to the end of a process.

Condition: In the current school environment there is a lack of segregation of duties as the school treasurer handles the recording of receipts and disbursements, the deposit of receipts, the reconciliation of receipts and disbursements (bank reconciliation) and the receipt of goods in some instances. These duties are incompatible as it allows one individual to have control over all phases of a transaction, which includes authorization, custody and record keeping.

Effect: Many individual schools have a lack of segregation of duties at the school treasurer level that has created an environment that is more susceptible to innocent errors or fraud.

Cause: Lack of personnel at the sites available to segregate duties properly.

Recommendation: The Board of Education monitors the individual schools as closely as possible. Once additional employees are hired at the individual schools then duties should be spread amongst the employees thus to further segregate duties.

Views of responsible officials and planned corrective actions: We share the concern over the lack of segregation of duties at the individual schools. However, current funding levels do not allow for additional financial staff at each school site.

Section III – Federal Award Findings and Questioned Costs

U.S. Department of Education

Passed through the N.C. Department of Public Instruction

Program Name: ARRA – Race to the Top

CFDA # 84.395

Finding 13-02

NONMATERIAL NONCOMPLIANCE – SPECIAL TESTS & PROVISIONS

Criteria: DPI communicated a request to the schools that the Governor would like all job postings associated with the recovery funds to be posted with the Employment Security Commission (ESC).

Condition: ARRA funded new hire positions were not posted with the ESC.

ASHEBORO CITY BOARD OF EDUCATION

Schedule of Findings and Questioned Costs

Year Ended June 30, 2013

Context: Out of the 23 individuals selected for testing, there were 6 that were hired during fiscal year 2013. Of the 6 positions filled during fiscal year 2013 associated with this funding, documentation of the ESC filing could not be located for 2 of these positions.

Questioned costs: None as this compliance requirement has no impact on allowable costs.

Effect: The Board was not in compliance with this request.

Cause: During the year there was a change in Human Resources personnel. The positions were filled under the previous Human Resources Director; the current Human Resources Director could not find or obtain supporting documentation to show that the positions were posted with the ESC.

Recommendation: The Board should post all vacancies of ARRA funded positions with the ESC.

Views of responsible officials: Management agrees with this finding.

Section IV. – State Award Findings and Questioned Costs

Finding 13-03

NONMATERIAL NONCOMPLIANCE – SPECIAL TESTS AND PROVISIONS

Gfeller-Waller Concussion Awareness Act

N.C. Department of Public Instruction

Program Name: State Public Schools Fund

Criteria: The Board is required to comply with all aspects of Session Law 2011-147. Session Law 2011-147 requires that the Board shall obtain, on an annual basis, a signed concussion and head injury information sheet from all coaches, school nurses, athletic directors, first responders, volunteers and students who participate in interscholastic activities prior to any participation, including tryouts, practice or competition.

Condition: The Board obtained signed concussion and head injury information sheets, but some of the signed concussion and head injury information sheets were not maintained once the season was complete.

The Board did not obtain the signed concussion and head injury information sheet for all athletes prior to the first date of tryouts.

Context: During testing, it was noted that for three individuals out of the six tested the Board was unable to provide the signed concussion and head injury information sheet. Therefore three sheets were tested.

Since documentation could not be provided, it was undetermined as to whether the sheets were signed prior to the first date of tryouts.

ASHEBORO CITY BOARD OF EDUCATION

Schedule of Findings and Questioned Costs

Year Ended June 30, 2013

Questioned Costs: None as this compliance requirement has no impact on allowable costs.

Effect: The Board was not in compliance with all requirements of Session Law 2011-147.

Cause: Misunderstanding of the requirements and how to apply the requirements of Session Law 2011-147.

Recommendation: Adapt a policy consistent to the requirements of Session Law 2011-147 and implement controls to ensure the policy is in place throughout the Board.

Views of responsible officials: This issue was addressed with the athletic directors in person and through e-mail (with a copy going to the principal). Since we have a School Board Policy (4270/6145) already in place to ensure that this occurs, the athletic directors have been directed to monitor their coaches for compliance and notify the Assistant Superintendent of Support Services immediately of any non-compliance.

ASHEBORO CITY BOARD OF EDUCATION

Corrective Action Plan

Year Ended June 30, 2013

Section II – Financial Statement Findings

Finding 13-01

Name of contact person: Harold Blair – Director of Finance

Corrective Action: See “Views of responsible officials and planned correction actions” in II – Findings Related to the Audit of the Basic Financial Statements of the Board.

Proposed completion date: Unknown

Section III – Federal Award Findings and Questioned Costs

Finding 13-02

Name of contact person: Carla Freemyer – Executive Director, Human Resources

Corrective Action: For each job posting Human Resource staff will complete the ESC posting document. Once this is faxed, the posting document will be sent to the district webmaster to post on the district vacancy page. This will create a separation of duties, while ensuring all positions are posted through the ESC as required.

Proposed completion date: Immediately

Section IV. – State Award Findings and Questioned Costs

Finding 13-03

Name of contact person: Brad Rice, Ed. D. – Assistant Superintendent of Support Services

Corrective Action: This issue was addressed with the athletic directors in person and through e-mail (with a copy going to the principal). Since we have a School Board Policy (4270/6145) already in place to ensure that this occurs, the athletic directors have been directed to monitor their coaches for compliance and notify the Assistant Superintendent of Support Services immediately of any non-compliance.

Proposed completion date: All coaches should be in full compliance before the start of the spring 2014 sports season.

ASHEBORO CITY BOARD OF EDUCATION
Summary Schedule of Prior Year Audit Findings
Year Ended June 30, 2013

Section II – Financial Statement Findings

Finding 12-01

Status: See current year finding 13-01

Section III – Federal Award Findings and Questioned Costs

Finding 12-02

Status: Corrected

Section IV. – State Award Findings and Questioned Costs

None reported.

Asheboro City Board of Education
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2013

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u>	<u>Expenditures</u>
Federal Grants:			
<u>U. S. Department of Agriculture</u>			
<u>Child Nutrition Cluster:</u>			
Non-Cash Assistance (Commodities):			
Passed-through N.C. Department of Agriculture:			
National School Lunch Program	10.555	PRC 035	\$ <u>140,542</u>
<i>Total Non-cash Assistance</i>			<u>140,542</u>
Cash Assistance:			
Passed-through the N.C. Department of Public Instruction:			
School Breakfast Program	10.553	PRC 035	490,079
National School Lunch Program	10.555	PRC 035	1,536,276
Passed-through the N.C. Department of Health and Human Services:			
Division of Public Health:			
Summer Food Service Program for Children	10.559	PRC 035	<u>16,162</u>
<i>Total Cash Assistance</i>			<u>2,042,517</u>
Total Child Nutrition Cluster			<u>2,183,059</u>
Total U. S. Department of Agriculture			<u>2,183,059</u>
<u>U.S. Department of Education</u>			
Passed-through the N.C. Department of Public Instruction:			
Grants to Local Education Agencies			
Safe and Drug Free Schools and Communities, Title IV, Part A	84.186	PRC 048	1,341
Improving Teacher Quality, Title II, Part A	84.367A	PRC 103	215,867
ARRA - Race to the Top	84.395	PRC 156	343,924
<u>Educational Technology State Grants Cluster:</u>			
- Education Technology State Grants, Title II, Part D - Competitive	84.318	PRC 108	34,426
- ARRA - Education Technology State Grants, Title II, Part D - Competitive	84.386	PRC 147	<u>1,853</u>
Total Educational Technology State Grants Cluster			<u>36,279</u>
<u>Title I, Part A Cluster</u>			
- Basic and Concentration, Title I	84.010	PRC 050	2,112,869
- School Improvements, Title I	84.010A	PRC 105	<u>47,272</u>
Total Title I, Part A Cluster			<u>2,160,141</u>
<u>Office of Postsecondary Education</u>			
Passed-through the University of North Carolina General Administration Trust Fund:			
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	PRC 311	11,147
<u>Office of English Language Acquisition</u>			
Passed-through the N.C. Department of Public Instruction:			
Comprehensive School Reform Demonstration	84.365	PRC 104	76,892
<u>Office of Special Education and Rehabilitative Services</u>			
Passed-through the N.C. Department of Public Instruction:			
<u>Special Education Cluster:</u>			
Individuals with Disabilities Education Act			
- Education of the Handicapped	84.027	PRC 060	1,072,936
- Special Needs Targeted Assistance	84.027A	PRC 118	49,282
- Preschool Targeted Assistance	84.173A	PRC 119	8,390
- Preschool Handicapped	84.173	PRC 049	<u>55,033</u>
Total Special Education Cluster			<u>1,185,641</u>

Asheboro City Board of Education
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2013

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Expenditures</u>
IDEA VI B - Special Education State Improvement	84.323A	PRC 082	\$ 19,412
<u>Office of Vocational and Adult Education</u>			
Passed-through the N.C. Department of Public Instruction: Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990 Basic Grants to States - Program Development			
	84.048A	PRC 017	65,128
Total U. S. Department of Education			<u>4,115,772</u>
<u>U.S. Department of Defense</u>			
Direct Program: ROTC			
	NONE	PRC 301	59,131
Total federal assistance			<u>6,357,962</u>
State Grants:			
Cash Assistance:			
<u>N.C. Department of Public Instruction:</u>			
State Public School Fund			24,945,630
Driver Training - SPSF		PRC 012	49,407
School Technology Fund - SPSF		PRC 015	18,513
Vocational Education			
- State Months of Employment		PRC 013	1,150,671
- Program Support Funds		PRC 014	272,681
Reduced-Price Breakfast		PRC 035	5,290
Total N.C. Department of Public Instruction			<u>26,442,192</u>
<u>N.C. Department of Health and Human Services:</u>			
Division of Child Development:			
Smart Start		PRC 401	139,050
More at Four		PRC 413	465,426
Total Division of Child Development:			<u>604,476</u>
Division of Public Health			
School Nurse Funding Initiative		PRC 615	100,000
Total N.C. Department of Health and Human Services			<u>704,476</u>
Noncash Assistance:			
<u>N.C. Department of Public Instruction:</u>			
Textbooks		PRC 130	12,760
Total State assistance			<u>27,159,428</u>
Total federal and State assistance			<u>\$ 33,517,390</u>

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

1. Basis of Presentation

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Asheboro City Board of Education and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act. Therefore some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

The board recognizes and supports the limitations on unauthorized duplication and use of copyrighted materials. The board does not condone any infringement on the property rights of copyright owners.

Employees, students and visitors are prohibited from the use or duplication of any copyright materials not allowed by copyright law, fair use guidelines sanctioned by Congress, licenses or contractual agreements. Willful or serious violations also are considered to be in violation of expected standards of behavior for employees and students and may result in disciplinary action in accordance with board policy.

A. FAIR USE

1. Unless allowed as "fair use" under federal law, permission must be acquired from the copyright owner prior to copying copyrighted material. Fair use is based on the following standards:

 - a. the purpose and character of the use;
 - b. the nature of the copyrighted work;
 - c. the amount of and the substantiality of the portion used in relation to the copyrighted work as a whole; and
 - d. the effect of the use upon the potential market for, or value of, the copyrighted work.
2. The superintendent or designee shall provide information and training to personnel and students, as appropriate, on the fair use of copyrighted materials, including in the following circumstances:

 - a. single and multiple copying for instructional purposes;
 - b. copying for performances and displays;
 - c. off-air recording of copyrighted programs;
 - d. use of "for home use only" videotapes or DVDs;
 - e. computer software;
 - f. copyrighted materials on the Internet and on-line databases; and
 - g. reproduction and loan of copyrighted materials by school media centers.

B. BUDGET

The budget recommended by the superintendent to the board must include sufficient funds for purchasing copyrighted materials as a necessary budget expense.

Legal References: 17 U.S.C. 101, 102, 106, 108, 110, 117

Cross References: Technology in the Educational Program (policy 3220), Technology

Acceptable Use (policy 3225/4312/7320), Web Page Development (policy 3227/7322), Integrity and Civility (policy 4310), Network Security (policy 6524), Staff Responsibilities (policy 7300), Budget Planning and Adoption (policy 8100)

Adopted:

The board believes that an effective testing and assessment program evaluates the progress of individual students and helps ensure that educational goals and objectives are being met for every child. A testing program also assists in the continued refinement of the instructional program.

Every effort will be made to ensure that the testing program contributes to the learning process rather than detracts from it. Efforts also will be made to use only culture-free or culture-fair tests in order to ensure that measurements are reasonably accurate.

**A. ~~NORTH CAROLINA AND LOCAL TESTS, SCREENINGS, AND ASSESSMENTS~~
~~ING PROGRAM~~**

~~The board directs the superintendent shall to plan and provide for the secure administration of all state-required tests, screenings, and assessments, and any state-required remedial instruction and/or retesting in accordance with all requirements established by law or the State Board of Education, and common exams.~~

~~Students not meeting testing standards on the end of grade or end of course tests must be provided remedial instruction and retesting if required by law or State Board of Education policy.~~

~~Common exams will be used to measure student learning in core grades and subjects that are not tested on end of grade or end of course tests. Student scores will be used to calculate a value-added score that will be reflected in Standard 6 of the teacher evaluation instrument and Standard 8 of the administrator evaluation instrument.~~

~~Retests on common exams will not be permitted except in the case of misadministration. The superintendent, in consultation with the school principals, shall have discretion to determine whether and how Results from the North Carolina common exams End of Course, End of Grade, and North Carolina Final Exams will be used in determining students' final grades ~~and whether high school seniors will be exempt from the common exams~~ in accordance with policy 3420, Student Promotion and Accountability.~~

~~If seniors are exempt and a value-added score cannot be calculated for a teacher of seniors, the superintendent or designee shall determine an alternate method of measuring student growth.~~

~~The superintendent shall make an annual report in July to the board of education with regard to student performance on the common exams.~~

~~The superintendent shall have discretion to determine which high school courses will be subject to local end of course tests.~~

Students may participate in field testing and other sample testing as designated by the State

Board or the Department of Public Instruction.

B. TEST ADMINISTRATION

The superintendent shall develop test security and administration procedures and shall ensure that all personnel who are responsible for the testing program are instructed in such testing procedures. ~~The instructional staff is responsible for the development and administration of the testing program.~~ All testing personnel, teachers and school administrators are required to be familiar with and adhere to all applicable testing manuals, handbooks, and guides, including the Testing Code of Ethics, for state tests and individual school tests. Failure to follow proceduresthe Code may result in disciplinary sanctions, including termination or revocation of administrative and/or teaching licenses.

~~Consistent with state goals, the superintendent shall submit to the board for approval a plan for transitioning to online administration of all end-of-grade and end-of-course tests beginning in the 2014-2015 school year. The superintendent shall conduct any necessary evaluation of the school system's connectivity, personnel and hardware needs prior to developing the plan and shall consider State Board of Education best practices for online assessments in the development of the plan. Once the school system has fully transitioned to online assessments, the superintendent shall keep the board informed of any resources or other measures needed to enable continued full participation in online assessments.~~

C. MINIMIZING TIME SPENT PARTICIPATION IN FIELD TESTING

The superintendent or designee shall ensure that the time students spend taking standardized state and local tests and the frequency of field testing at a particular school are minimized. Specifically, the superintendent shall ensure the following.

1. Schools will devote no more than two days of instructional time per year to the taking of practice tests that do not have the primary purpose of assessing current student learning.

2. Students will not be subject to field tests or national tests during the two week period preceding their school's administration of end of grade tests, end of course tests, or regularly scheduled final exams.

3. No school will participate in more than two field tests at any one grade level during a school year. ~~unless that school volunteers, through a vote of its school improvement team, to participate in an expanded number of field tests.~~

3.4. All annual assessments of student achievement adopted by the State Board of Education pursuant to G.S. 115C-174.11(c)(1) and (3) and all final exams for courses will be administered within the final ten instructional days of the school year for year-long courses and within the final five instructional days of the semester for semester courses. Exceptions will be permitted to accommodate a student's individualized education program and Section 504 plans and for the administration of final exams for courses with national or international curricula required to be

held at designated times.

Legal References: G.S. 115C, art. 10A; 115C-47, -81, -83.5, -83.6, -174.11, -174.12(a), -174.22, -174.25, -276, -288, -307; State Board of Education Policies GCS-A series; GCS-C series; GCS-N series; TCP-C-006; 16 N.C.A.C. 6D .0301 – .0306

Cross References: Professional and Staff Development (policy 1610/7800), Goals and Objectives of the Educational Program (policy 3000), Student Promotion and Accountability (policy 3420)

Other References: Online Assessments Best Practices Guide (NC DPI, July 2011), available at <http://www.dpi.state.nc.us/acre/assessment/guide/>; Measures of Student Learning: NC's Common Exams (NC DPI, March 2013), available at <http://www.ncpublicschools.org/docs/effectiveness-model/measures/implementation-guide.pdf>

Adopted:

A. PURPOSE

The board believes that students should progress to the next level of study only after they are proficient in their knowledge and application of the current curriculum level. To the extent reasonably possible, students should be given as much or as little time as they need to be proficient at a particular level of study. Students will be promoted to the next level of study as described in this policy.

B. STUDENT PROMOTION STANDARDS

The superintendent shall develop (1) proposed promotion standards and (2) a process to be used in determining a student's readiness to progress to the next level of study and shall submit the standards and process to the board for approval. The standards will be based, in part, upon proficiency in reading. The standards and process must provide multiple criteria for assessing a student's readiness to progress to the next level of study, such as standardized test scores, formative and diagnostic assessments, grades, a portfolio or anthology of the student's work and, when appropriate, accepted standards for assessing developmental growth. The standards and process will incorporate all state law and State Board of Education policy requirements, including those for the assessment and promotion of third grade students as described in G.S. 115C-83.6 *et seq.* and State Board of Education Policies GCS-J-002 and 003.

Principals shall ensure that the promotion standards are used by teachers and school administrators in assessing each student's readiness to progress to the next level of study. Principals have the authority to promote or retain students based upon the standards approved by the board and any applicable standards set by the State Board of Education.

To reduce the number of students who do not meet promotion standards, the board directs school administrators and teachers to use personal education plans as required in policy 3405, Students at Risk of Academic Failure, to address the needs of students who are not making adequate academic progress.

C. LOCAL PROMOTION STANDARDS**1. Grades Kindergarten, 1 and 2**

Students in grades K, 1 and 2 will be expected to demonstrate grade level proficiency on the current state instructional standards in reading, writing, and mathematics. Multiple measures are to be used to determine grade level proficiency on the current state instructional standards including, but not limited, to:

- a. K-5 Portfolio, including writing samples

- b. K-2 math benchmark assessments
- c. Demonstration of the current state grade level instructional standards
- d. Teacher observation and recommendation
- e. Reading 3D Diagnostic Data

Students who are performing below grade level will be provided intervention strategies according to the school remediation plan and the student's Personal Education Plan (PEP). Students who are still performing below grade level after receiving intervention will not be promoted, unless otherwise determined by the school principal in accordance with Subsection E of this policy.

2. Grades 3-5

Students in grades 3, 4 and 5 will be expected to demonstrate grade level proficiency in reading, writing, mathematics, science, and social studies. Multiple measures are to be used to determine grade level proficiency including, but not limited, to:

- a. Standardized test scores from the North Carolina End-of-Grade tests
- b. Demonstration of the current state grade level instructional standards
- c. K-5 portfolios, including writing samples
- d. Benchmark assessments
- e. Teacher observation and recommendation
- f. Reading 3D Diagnostic Data

Students who are performing below grade level will be provided intervention strategies according to the school remediation plan and the student's Personal Education Plan (PEP). Students who are still performing below grade level after receiving intervention will not be promoted, unless otherwise determined by the school principal in accordance with Subsection E of this policy.

3. Grades 6-8

Students in grades 6, 7 and 8 will be expected to demonstrate grade level proficiency in reading, writing, mathematics, science, and social studies. Multiple measures are to be used to determine grade level proficiency including, but not limited, to:

- a. Standardized test scores from the North Carolina End-of-Grade tests
- b. Pass five courses: one of which must be language arts, one of which must be mathematics, one of which must be science or social studies
- c. Grades

- d. Student work portfolios, including writing samples
- e. Benchmark assessments
- f. Teacher observation and recommendation

Students who are performing below grade level will be provided intervention strategies according to the school remediation plan and the student's Personal Education Plan (PEP). Students who are still performing below grade level after receiving intervention will not be promoted, unless otherwise determined by the school principal in accordance with Subsection E of this policy.

4. Grades 6 -8 End of Course, End of Grade, and North Carolina Final Exams

The End of Course (EOC), End of Grade (EOG) and North Carolina Final Exam results shall count as twenty-five percent (25%) of a student's final grade in each middle school course for which such a test is administered. This requirement does not apply for students assessed on the Extended Content Standards.

4.5. High School End of Course Tests

The End of Course (EOC) assessment, North Carolina Final Exam and vocational post assessment test results shall count as twenty-five percent (25%) of a student's final grade in each high school ~~or middle school~~ course for which such an EOC test is available administered. This requirement does not apply for students following the Future Ready Occupational Course of Study (State Board of Education Policy GCS-C-003). All ~~non-EOC~~other high school courses are also required to administer a final exam which shall count as twenty-five percent (25%) of a student's final grade.

56. Diploma Standards

To receive a North Carolina high school diploma, a student must complete the requirements set forth in policy 3460, Graduation Requirements.

D. INTERVENTION FOR STUDENTS UNLIKELY TO MEET PROMOTION STANDARDS

The goal of Asheboro City Schools is to identify as early as possible students who are unlikely to meet the standards for progression to the next level of study so that the school can provide appropriate intervention. Intervention must be provided for any student who does not meet grade level proficiencies established by the State or who is determined to be at-risk of not meeting grade level proficiencies or making progress toward graduation established by the Local Board or State.

Every student who does not meet grade level proficiency, is at risk of academic failure, or is not making progress toward graduation shall have developed for them a Personalized Education Plan (PEP) constructed by the student's teacher(s) whether the student is promoted or retained. Each plan shall include student assessment data, intervention strategies, and progress monitoring strategies (Students At Risk of Academic Failure, policy 3405).

1. Intervention Plans

Each school must submit to the board the school's plan for intervention as part of the school's yearly improvement plan. Schools also must include in the school improvement plan the types of intervention strategies that will be offered at the school. At a minimum, the intervention plan must address the following elements:

- a. identification of and intervention for students at risk of failing the student accountability standards;
- b. differentiated instruction for students who have been retained; and
- c. meeting individual students' needs.

2. Intervention Strategies

Intervention involves identifying strategies specifically designed to increase grade level proficiency. Strategies may include, but are not limited to, alternative learning models, special homework, smaller classes, flexible grouping, tutorial sessions, extended school day, Saturday school, modified instructional programs, parental involvement, small or large group counseling sessions, summer school instruction, participation in or restriction of participation in extracurricular activities, individualized instruction or goals, and remedial instruction or retention.

Extended instructional opportunities should be different from and supplemental to regular classroom instruction. The school will involve parents and the student in discussing intervention strategies. Students will participate in the intervention strategies and demonstrate acceptable growth and achievement.

E. REVIEW OF STUDENT PROMOTION STANDARDS

1. Previous retentions

Previous retentions may be a factor in waiving student promotion standards.

2. Review Process

In the case where a student's promotion is in question, the principal must consider the following before recommending promotion or retention.

Teachers shall provide documentation of the student's performance during a review process. Documentation may include but is not limited to:

1. Student work samples;
2. Other assessment data;
3. Information supplied by parents;
4. For student with disabilities, information that is included in the individualized education program; and
5. Other information that verifies that a student is at grade level or, is making adequate progress to meet grade level requirements.

- a) Light's Retention Scale for deciding whether or not a student should be retained.

F. APPEALS OF PROMOTION DECISIONS

1. Appeal to the Superintendent

Within five workdays of receiving the principal's written decision to promote or retain a student, the student's parents may appeal the decision to the superintendent. The superintendent may overturn the principal's decision only upon a finding that the principal's decision was arbitrary and capricious (i.e., without a rational basis) or was otherwise an abuse of discretion.

The superintendent must render a decision within 10 workdays of receiving the appeal. The superintendent may support the principal's decision, remand it back to the principal for consideration of additional issues or reverse the decision.

The superintendent's findings must be in writing and must be provided to the parents.

2. Appeal to the Board of Education

The superintendent's decision to promote or retain a student may be appealed to the board in accordance with the procedures set forth in subsection E.5 of policy 1740/4010, Student and Parent Grievance Procedure.

G. PROMOTION AND ACCOUNTABILITY STANDARDS FOR STUDENTS WITH DISABILITIES

To the extent possible, students with disabilities must be held to the same promotion standards as all other students. However, for students who take alternative assessments in lieu of the end-of-grade (EOG) or end-of-course (EOC) tests, promotion decisions must be based on criteria recommended by the IEP team.

All intervention strategies and other opportunities, benefits and resources that are made available to students without disabilities must be made available to those students with disabilities who are subject to the student promotion standards. Such opportunities must be in addition to the special education services provided to the student.

H. PROMOTION AND ACCOUNTABILITY STANDARDS FOR STUDENTS WITH LIMITED ENGLISH PROFICIENCY

To the extent possible, students with limited English proficiency will be held to the same standards as all other students.

All intervention and other opportunities, benefits, and resources that are made available to other students must be made available to students with limited English proficiency who participate in the student promotion standards.

I. ACCELERATION

Some students may need less time to learn the curriculum. The Board recognizes our responsibility to provide an array of services that maximizes the potential of each of these students. Teachers are encouraged to challenge these students by expanding the curriculum, providing opportunities to explore subjects in greater detail or providing different types of educational experiences. Differentiated programs and services may be provided through such strategies as appropriate classroom groupings, increased pace instruction, challenging subject classes, differentiated units, content modification, subject advancement, grade skipping, alternative products, enrichment opportunities, curriculum compacting, or individual projects and contracts. To challenge a student sufficiently, the principal may reassign the student to a different class or level of study and/or may identify concurrent enrollment or other curriculum expansion options (see policy 3101, Dual Enrollment).

J. REPORTING REQUIREMENTS

1. Superintendent's Report to the Board

At least on an annual basis, the superintendent shall provide the board with the following information for each school:

- a. aggregate student performance scores on state-mandated tests and any other standardized tests used by a school or the school system;
- b. the number and percentage of students retained and/or not meeting the standards for their grade level;
- c. the number and percentage of third grade students exempt from mandatory

third grade retention by category of exemption as listed in state law; and

- d. remedial or additional educational opportunities provided by the school system and the success of these efforts in helping students meet promotion standards.
2. Report to the North Carolina State Board of Education and Department of Public Instruction

Pursuant to statutory requirements and standards established by the Department of Public Instruction, all required information regarding student performance will be provided annually to the Department.

3. Publication on the School System Website

Information about the reading performance of third grade students will be posted on the school system website in accordance with state law.

K. NOTIFICATION TO PARENTS

The superintendent or designee shall provide information regarding promotion standards to all students and parents. In addition, if a kindergarten, first grade, second grade or third grade student (1) is demonstrating difficulty with reading development; (2) is not reading at grade level; or (3) has a personal education plan under G.S. 115C-105.41, the student's teacher shall provide the student's parents timely written notice advising that if the student is not demonstrating reading proficiency by the end of third grade, the student will be retained, unless exempt from mandatory retention for good cause. Parents are encouraged to help their children meet the promotion standards and will have opportunities to discuss the promotion standards and procedures with teachers and the principal. Information provided to parents should be in the parents' native language when appropriate foreign language resources are readily available.

The teacher of a student who does not meet promotion standards must notify the student's parents that the student has failed to meet the standards for progression to the next level of study and must provide the parents with information concerning retesting, intervention, review and appeal opportunities. When a student is to be retained, the principal shall provide the student's parents written notice of the retention and, if the student will be retained in accordance with G.S. 115C-83.7(a) for failure to demonstrate reading proficiency, (1) written notice of the reason the student is not eligible for a good cause exemption as provided in G.S. 115C-83.7(b) and (2) a description of proposed reading interventions that will be provided to the student to remediate identified areas of reading deficiency. Teachers shall provide parents of students retained under G.S. 115C-83.7(a) at least monthly written reports on student progress toward reading proficiency. The evaluation of a student's progress will be based upon the student's classroom work, observations, tests, assessments and other relevant information.

L. CHILDREN OF MILITARY FAMILIES

As required by the Interstate Compact on Educational Opportunity for Military Children (G.S. 115C-407.5) and policy 4155, Assignment to Classes, school administrators have the authority to exercise flexibility in waiving course or program prerequisites or other preconditions for the placement of children of military families in courses or programs offered by the school system.

Legal References: G.S. 115C-36, -45(c), -47, -81, -105.21, -174.11, -288(a), -407.5; State Board of Education Policy GCS-C-031

Cross References: Student and Parent Grievance Procedure (policy 1740/4010), Goals and Objectives of the Educational Program (policy 3000), Concurrent Enrollment and Other Curriculum Expansions (policy 3101), Students At-Risk of Academic Failure (policy 3405), School Improvement Plan (policy 3430), Graduation Requirements (policy 3460), Extracurricular Activities and Student Organizations (policy 3620), Children of Military Families (policy 4050), Students At Risk of Academic Failure (Policy 3405), Assignment to Classes (policy 4155), Fiscal Management Standards (policy 8300)

Other Resources: *Guidelines for Testing Students Identified as Limited English Proficient*, N.C. Department of Public Instruction Division of Accountability Services/North Carolina Testing Program (September 2010)

Adopted: August 11, 2011

Revised: August 8, 2013

The board recognizes the importance of setting rigorous graduation requirements to help ensure that students are receiving an education that will prepare them to be productive members of society.

In order to graduate from high school, students must meet the following requirements:

1. successful completion of all course unit requirements mandated by the State Board of Education (see Section A);
2. beginning in the 2014-2015 school year, successful completion of cardiopulmonary resuscitation instruction; and
3. successful completion of all other requirements mandated by the board, as provided in this policy.

The principal shall ensure that students and parents are aware of all graduation requirements. Guidance program staff shall assist students in selecting their high school courses to ensure that students are taking all of the required units and selecting electives consistent with their post-graduation plans. For students who have transferred to the school system during high school or who, for other reasons, have completed course work outside of the school system, the principal shall determine what course work will be applied as credit toward graduation. The principal shall consider the requirements of the Interstate Compact on Educational Opportunity for Military Children (G.S. 115C-407.5) and the requirements of subsection C.3 of this policy in determining the graduation requirements for children of military families.

A. COURSE UNITS REQUIRED

Each student must meet the course unit requirements for one of the following courses of study. Students entering the ninth grade for the first time before the 2009-2010 school year must fulfill the requirements of the Career Prep, College Tech Prep, College/University Prep, or Future-Ready Occupational Course of Study. Beginning with students entering the ninth grade for the first time in the 2009-2010 school year, students must fulfill the requirements of the Future-Ready Core Course of Study, unless they are approved for the Future-Ready Occupational Course of Study. Course unit requirements for the Future-Ready Core Course of Study differ depending on the year a student enters ninth grade for the first time.

1. Future-Ready Core Course of Study Credits Required for Students Entering Ninth Grade for the First Time in 2012-2013 and Thereafter

Courses Required	State Requirements	Local Requirements
English	4 sequential (English I, II, III, and IV)*	
Mathematics	4 (either Algebra I, Geometry, Algebra II, and a fourth math course aligned with the student's post-high school plans OR Integrated Math I, II, and III and a fourth math course aligned with the student's post-high school plans) (A principal may exempt a student from this math sequence. Exempt students will be required to pass either (1) Algebra I and Geometry or (2) Integrated Math I and II. Exempt students also must pass either Alternative Math I and II or two other application-based math courses.)**	
Science	3 (a physical science course, Biology, and earth/environmental science)	
Social Studies	4 (including Civics & Economics; American History Parts I and II OR AP U.S. History and one additional social studies elective; and World History)	
Health/P.E.	1	
Electives	6 (2 electives must be any combination of Career and Technical Education, Arts Education, or World Language; 4 must be from one of the following: Career and Technical Education, R.O.T.C., Arts Education, or any other subject area or cross-disciplinary course. A four-course concentration is recommended.)***	
Total Credits	22	

* ~~Effective with the tenth grade class of 2011-2012, Students participating in the Career & College Promise program Early College High School students alternatively may earn high school credit for college courses ("dual credit") according to the Career & College Promise program guidelines established by the Department of Public Instruction, complete college level English courses designated by the State Board in lieu of English III and IV.~~

** Students seeking to complete minimum application requirements for UNC universities must complete four mathematics courses, including a fourth math course with Algebra II or Integrated Math III as a prerequisite.

*** Students seeking to complete minimum application requirements for UNC universities must complete two years of a second language.

2. Future-Ready Core Course of Study Credits Required for Students Entering Ninth Grade for the First Time in 2009-2010, 2010-2011, or 2011-2012

Courses Required	State Requirements	Local Requirements
English	4 sequential (English I, II, III, and IV)*	
Mathematics	4 (either Algebra I, Geometry, Algebra II, and a fourth math course aligned with the student's post-high school plans OR Integrated Math I, II, and III and a fourth math course aligned with the student's post-high school plans) (A principal may exempt a student from this math sequence. Exempt students will be required to pass either (1) Algebra I and either Algebra II or Geometry or (2) Integrated Math I and II. Exempt students also must pass either Alternative Math I and II or two other application-based math courses.)**	
Science	3 (a physical science course, Biology, and earth/environmental science)	
Social Studies	3 (Civics & Economics, U.S. History, and World History)	
Health/P.E.	1	
Electives	6 (2 electives must be any combination of Career and Technical Education, Arts Education, or World Language; 4 must be from one of the following: Career and Technical Education, R.O.T.C., Arts Education, or any other subject area or cross-disciplinary course. A four-course concentration is recommended.)***	
Total Credits	21	

* Effective with the tenth grade class of 2011-2012, Early College High School students alternatively may complete college level English courses designated by the State Board in lieu of English III and IV.

** Students seeking to complete minimum application requirements for UNC universities must complete four mathematics courses, including a fourth math course with Algebra II or Integrated Math III as a prerequisite.

*** Students seeking to complete minimum application requirements for UNC universities must complete two years of a second language.

3. Career Prep Course of Study Credits Required

Courses Required	State Requirements	Local Requirements
English	4 (including English I, II, III, and IV)	
Mathematics	3 (including Algebra I)	
Science	3 (including a physical science course, Biology, and earth/environmental science)	
Social Studies	3 (including Civics & Economics, U.S. History, and World History)	
Health/P.E.	1	
Career/Technical	4 (courses appropriate for career pathway, including a second-level (advanced) course, or courses for an arts education pathway or R.O.T.C.***)	
World Language	0	
Electives	2 (arts recommended but not required)	
Other Requirements		
Total Credits	20	

*** Four R.O.T.C. credits may be used.

4. College Tech Prep Course of Study Credits Required

Courses Required	State Requirements	Local Requirements
English	4 (including English I, II, III, and IV)	
Mathematics	3**** (including either Algebra I, Geometry, and Algebra II; Algebra I and Technical Math I and II; or Integrated Mathematics I, II, and III)	
Science	3 (including a physical science course, Biology, and earth/environmental science)	
Social Studies	3 (including Civics & Economics, U.S. History, and World History)	
Health/P.E.	1	
Career/Technical	4 (courses appropriate for career pathway including a second-level (advanced) course)	
World Language	0****	
Electives	2 (arts recommended but not required)	
Other Requirements		
Total Credits	20	

**** A student pursuing this course of study may meet the requirements of a College/University Prep Course of Study by completing two courses in the same second language and one additional unit of math for which Algebra II or integrated Math III is a prerequisite.

5. College/University Prep Course of Study Credits Required

Courses Required	State Requirements	Local Requirements
English	4 (including English I, II, III, and IV)	
Mathematics	4 (including either Algebra I, Geometry, and Algebra II and a higher-level course for which Algebra II is a prerequisite; or Integrated Mathematics I, II, and III and one course beyond Integrated Math III)	
Science	3 (including a physical science course, Biology, and earth/environmental science)	
Social Studies	3 (including Civics & Economics, U.S. History, and World History)	
Health/P.E.	1	
World Language	2 (in the same language) or proficiency in a language other than English	
Electives	3 (arts recommended but not required)	
Other Requirements		
Total Credits	20	

6. Future-Ready Occupational Course of Study Credits Required (only available to certain students with disabilities who have an IEP)

Courses Required	State Requirements	Local Requirements
English	4 (including Occupational English I, II, III, and IV)	
Mathematics	3 (including OCS Introduction to Math, OCS Algebra I (Math A), and Financial Management)	
Science	2 (including OCS Applied Science and OCS Biology)	
Social Studies	2 (including American History I and II)	
Health/P.E.	1	
Career/Technical	4 (Vocational Education electives)	
World Language	0	
Occupational Preparation	6 (including Occupational Preparation I, II, III, and IV, which require 300 hours of school-based training, 240 hours of community-based training, and 360 hours of paid employment or 360 hours of any combination of unpaid vocational training, unpaid internship experience, paid employment at community rehabilitation facilities, and volunteer and/or community service hours)	
Electives	0	
Other Requirements	<ul style="list-style-type: none"> • Completion of IEP objectives • Career Portfolio 	
Total Credits	22	

B. HIGH SCHOOL END-OF-COURSE TESTING

Students must take all end-of-course (EOC) tests required by the State Board of Education. If required by the State Board of Education, students who do not score at

Level III or above on the first administration of an EOC test shall be retested.

The EOC test results will count as 25 percent of a student's final grade in each high school course for which an EOC test is available, except that this requirement does not apply to students following the Occupational Course of Study.

C. SPECIAL CIRCUMSTANCES

The board adopts the following policies with regard to graduation.

1. Honor Graduates

Honor graduates may be designated by principals on the basis of criteria established by the superintendent. A student who completes the requirements of the North Carolina Academic Scholars Program will receive recognition, including a seal affixed to his or her diploma. Recognition of honor graduates may be included in graduation programs.

2. Students with Disabilities

Graduation requirements must be applied to students with disabilities to the extent required by state and federal law and State Board policy.

3. Children of Military Families

In order to facilitate the on-time graduation of children of military families, the board adopts the following policy provisions for students to whom the Interstate Compact on Educational Opportunity for Military Children applies.

a. Waiver Requirements

Specific course work required for graduation will be waived if similar course work has been satisfactorily completed in another school system. If a waiver is not granted, school administrators shall provide the student with reasonable justification for the denial. If a waiver is not granted to a student who would qualify to graduate from the sending school, the superintendent or designee shall provide the student with an alternative means of acquiring the required course work so that the student may graduate on time.

b. Testing Requirements for Graduation

The superintendent shall accept the following in lieu of any local testing requirements for graduation: (1) the end-of-course exams required for graduation from the sending state; (2) national norm-referenced

achievement tests; or (3) alternative testing. If these alternatives are not feasible for a student who has transferred in his or her senior year, subsection c below will apply.

c. Transfers During Senior Year

If a child of a military family who has transferred at the beginning of or during his or her senior year is ineligible to graduate from the school system after all of the alternatives listed above have been considered and the student meets the graduation requirements at his or her sending school, then school officials from the school system shall collaborate with the sending school system to ensure that the student will receive a diploma from the sending board of education.

4. Early Graduation

Graduation prior to that of one's class may be permitted on the basis of criteria approved by the board upon recommendation by the superintendent.

5. Graduation Certificates

Graduation certificates will be awarded to eligible students in accordance with the standards set forth in State Board policy.

6. Diploma Endorsements

Beginning with the graduating class of 2014-2015, students will have the opportunity to earn an endorsement to their diploma identifying a particular area of focused study including: (1) Career Endorsement, (2) College Endorsement, (3) College Plus Endorsement, and/or (4) North Carolina Academic Scholars Endorsement. No endorsement is required to receive a diploma, and a student may earn more than one endorsement.

Legal References: G.S. 115C-47, -81, -174.11, -276, -288, -407.5; State Board of Education Policies GCS-C-003, [GCS-L-007](#), GCS-N-004, -010

Cross References: Goals and Objectives of the Educational Program (policy 3000), Student Promotion and Accountability (policy 3420), Citizenship and Character Education (policy 3530), Children of Military Families (policy 4050)

Adopted:

All student records must be current and maintained with appropriate measures of security and confidentiality. The principal is responsible for complying with all legal requirements pertaining to the maintenance, review, and release of records retained at the school.

A. ANNUAL NOTIFICATION OF RIGHTS

The superintendent or designee shall provide eligible students and parents with annual notification of their rights under the Family Educational Rights and Privacy Act (FERPA). The notice must contain all information required by federal law and regulations, including the following:

1. the right to inspect and review the student's educational records and the procedure for exercising this right;
2. the right to request amendment of the student's educational records that the parent or eligible student believes to be inaccurate, misleading, or in violation of the student's privacy rights; and the procedure for exercising this right;
3. the right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that FERPA authorizes disclosure without consent;
4. the type of information designated as directory information and the right to opt out of release of directory information;
5. that the school system releases records to other institutions that have requested the information and in which the student seeks or intends to enroll;
6. the right to opt out of releasing the student's name, address, and phone number to military recruiters or institutions of higher education that request such information;
7. a specification of the criteria for determining who constitutes a school official and what constitutes a legitimate educational interest if a school official discloses or intends to disclose personally identifiable information to school officials without consent;
8. notification if the school system uses contractors, consultants, volunteers, or similar persons as school officials to perform certain school system services and functions that it would otherwise perform itself; and
9. the right to file complaints with the Family Policy Compliance Office in the U.S. Department of Education.

School officials are not required to individually notify parents or eligible students of their rights but must provide the notice in a manner reasonably likely to inform the parents and eligible students of their rights. Effective notice must be provided to parents or eligible students with disabilities or those whose primary or home language is not English.

B. DEFINITION OF PARENT AND ELIGIBLE STUDENT

1. Parent

For purposes of this policy, the term “parent” includes a natural parent, a guardian, or an individual acting as a parent in the absence of a parent or guardian. If the parents of a student are separated or divorced, both parents have the right to access the student’s records as provided in this policy, unless the school system has been provided with evidence that there is a court order, state statute, or other legally binding document that specifically revokes these rights.

2. Eligible Student

For purposes of this policy, an eligible student is a student who has reached 18 years of age or is attending an institution of postsecondary education. The rights afforded to parents under this policy transfer to an eligible student. However, parents may still have access to the records as long as the student is claimed as a dependent by the parent for federal income tax purposes. An eligible student who desires to prevent access to records by his or her parents must furnish to the principal information verifying that the student is not a dependent of his or her parents. If a parent of a student who is at least 18 and no longer attending a school within the system wishes to inspect and review the student’s records, he or she must provide information verifying that the student is a dependent for federal income tax purposes.

A student under age 18 may have access to student records only upon the consent of his or her parents.

C. CLASSIFICATION AND MAINTENANCE OF RECORDS

Information about students that is collected and stored by school personnel may be separated into several categories, including, but not limited to, the following records.

1. Cumulative Records

The cumulative record is the official record for each student. The cumulative record includes student identification information, such as the student’s name, address, sex, race, birthplace, and birth date; family data including the parents’ names, addresses, work and home telephone numbers, and places of employment; academic work completed; grades; standardized test scores; health screenings and

immunization documentation; attendance records; withdrawal and reentry records; discipline records; honors and activities; class rank; date of graduation; and follow-up records.

2. Discipline Records

Student discipline records are part of the student's official record and must be maintained and reviewed pursuant to policy 4345, Student Discipline Records. Discipline records must be expunged and forwarded pursuant to the requirements of law and the procedures of policy 4345.

3. Records of Students with Disabilities

Students with recognized disabilities must be accorded all rights in regard to their records as provided by state and federal law, including the Individuals with Disabilities Education Act and policy 3520, Special Education Programs/Rights of Students with Disabilities. Records for a student identified as a student with a disability are considered part of the student's official records and must be maintained in accordance with all appropriate federal and state regulations. Access to these records will be restricted to personnel having specific responsibility in this area. A list of all approved personnel having access to these restricted files will be updated as needed, and a current, dated list will be posted in the student records location.

4. Records Received from the Department of Social Services

The Department of Social Services may disclose confidential information to the school system in order to protect a juvenile from abuse or neglect. Any confidential information disclosed under these circumstances must remain confidential and may only be redisclosed for purposes directly connected with carrying out the school system's mandated educational responsibilities.

5. Juvenile Records

Juvenile records include documentation or information regarding students who are under the jurisdiction of the juvenile court. These records may be received from local law enforcement and/or other local agencies authorized to share information concerning juveniles in accordance with G.S. 7B-3100. These records also may include notice from the sheriff to the board that a student has been required to register with the sheriff because the student has been found to be a danger to the community under G.S. Chapter 14, Part 4. Such documents must not be a part of a student's official records but must be maintained by the principal in a safe, locked storage area that is separate from the student's other records. The principal shall not make a copy of such documents under any circumstances.

Juvenile records will be used only to protect the safety of or to improve the educational opportunities for the student or others. The principal may share juvenile records with individuals who have (a) direct guidance, teaching, or supervisory responsibility for the student and (b) a specific need to know in order to protect the safety of the student and others. Persons provided access to juvenile records must indicate in writing that they have read the document(s) and agree to maintain confidentiality of the records.

The principal or designee must destroy juvenile documents if he or she receives notification that a court no longer has jurisdiction over the student or if the court grants the student's petition for expunction of the records. The principal or designee shall destroy all other information received from an examination of juvenile records when he or she finds that the information is no longer needed to protect the safety of or to improve the educational opportunities for the student or others. If the student graduates, withdraws from school, transfers to another school, is suspended for the remainder of the school year, or is expelled, the principal shall return all documents not destroyed to the juvenile court counselor. If the student is transferring, the principal shall provide the juvenile court counselor with the name and address of the school to which the student is transferring.

6. Other Student Records

School system personnel may also keep other student records but must review such records annually and destroy them when their usefulness is no longer apparent or when the student leaves the school system.

7. Sole Possession, Employment, and Law Enforcement Records

Student records do not include, and release of information under this policy does not apply to:

- a. records made by teachers, counselors, and administrators that are in the sole possession of the maker thereof and that are not accessible or revealed to any other person except a substitute;
- b. employment records of student employees if those records relate exclusively to the student in his or her capacity as an employee and are not made available for any other use; and
- c. records created by a law enforcement unit of the school system if created for a law enforcement purpose and maintained solely by the law enforcement unit of the school system. This does not include information obtained from the student's confidential file or other educational records that is contained in a law enforcement record.

D. RECORDS OF STUDENTS PARTICIPATING IN THE NORTH CAROLINA ADDRESS CONFIDENTIALITY PROGRAM

Records of students participating in the North Carolina Address Confidentiality Program must show only the substitute address provided by the Address Confidentiality Program and must not be released to any third party other than a school to which the student is transferring, or as otherwise provided by law.

When transferring the record of a student participating in the North Carolina Address Confidentiality Program to a school outside of the system, the transferring school may send the files to the Address Confidentiality Program participant (parent or guardian) via the substitute address provided by the Address Confidentiality Program.

E. RECORDS OF MISSING CHILDREN

Upon notification by a law enforcement agency or the North Carolina Center for Missing Persons of the disappearance of a child who is currently or was previously enrolled in the school, school officials shall flag the record of that child. If the missing child's record is requested by another school system, the principal shall provide notice of the request to the superintendent and the agency that notified the school that the child was missing. The principal shall provide the agency with a copy of any written request for information concerning the missing child's record.

Any information received indicating that a student transferring into the system is a missing child must be reported promptly to the superintendent and the North Carolina Center for Missing Persons.

F. RECORDS OF MILITARY CHILDREN

School administrators shall comply with any regulations pertaining to the records of military children developed by the Interstate Commission on Educational Opportunity for Military Children.

In addition, children of military families, as defined by policy 4050, Children of Military Families, are entitled to the following.

1. For Students Leaving the School System

In the event that official education records cannot be released to the parents of military children who are transferring away from the school system, the custodian of records shall prepare and furnish to the parent a complete set of unofficial education records containing uniform information as determined by the Interstate Commission.

When a request for a student's official record is received from the student's new school, school officials shall process and furnish the official records to the

student's new school within 10 days or within such time as is reasonably determined by the Interstate Commission.

2. For Students Enrolling in the School System

Upon receiving an unofficial education record from the student's previous school, school administrators shall enroll the student and place him or her in classes as quickly as possible based on the information in the unofficial records, pending validation by the official records.

Simultaneous with the enrollment and conditional placement of the student, school administrators shall request the student's official record from his or her previous school.

G. REVIEW, RELEASE OF RECORDS TO PARENT OR ELIGIBLE STUDENT

A parent or eligible student may access the student's records upon proper request. The principal or guidance office personnel of the student's school shall schedule an appointment as soon as possible but no later than 45 days after the request by the parent or eligible student. The parent or eligible student may formally review the student's complete records only in the presence of the principal or a designee competent to explain the records. School personnel shall not destroy any educational records if there is an outstanding request to inspect or review the records.

A parent or eligible student has the right to challenge an item in the student record believed to be inaccurate, misleading, or otherwise in violation of the student's privacy rights. The principal shall examine a request to amend a student record item and respond in writing to the person who challenges the item. Subsequent steps, if necessary, will follow the student grievance procedures as provided in policy 1740/4010, Student and Parent Grievance Procedure. If the final decision is that the information in the record is not inaccurate, misleading, or otherwise in violation of the privacy rights of the student, the principal shall inform the parent or eligible student of the right to place a statement in the record commenting on the contested information in the record or stating why he or she disagrees with the decision of the school system.

H. RELEASE OR DISCLOSURE OF RECORDS TO OTHERS

Before releasing or disclosing records as permitted by law, school officials shall use reasonable methods to identify and authenticate the identity of the party to whom the records are disclosed.

1. Release/Disclosure With Parental Consent

School officials shall obtain written permission from a parent or eligible student before releasing or disclosing student records that contain personally identifiable information, except in circumstances where the school system is authorized by

law to release the records without such permission. The written permission must specify the records to be released, the purpose of the release, and the party(ies) to whom they are to be released.

2. Release/Disclosure Without Parental Consent

School system officials shall promptly release student records when a student transfers to another school. The records custodian may release or disclose records with personally identifiable information without parental permission to the extent permitted by law, including to other school officials who have a legitimate educational interest in the records.

When personally identifiable information from a student's record is released or disclosed without prior written consent of the parent or eligible student, the party to whom the information is released must agree not to disclose the information to any other party without the prior consent of the parent or eligible student. This restriction does not apply to the release of directory information, release of information to parents of non-eligible students, release of information to parents of dependent students, or release of information in accordance with a court order or subpoena.

The superintendent shall employ reasonable methods to ensure that teachers and other school officials obtain access only to those educational records in which they have legitimate educational interests.

3. Release of Directory Information

Permission of the parent or eligible student is not required for the release of information that is designated as directory information by the board, provided that the parent or eligible student has been given proper notice and an opportunity to opt out. (See policy 1310/4002, Parental Involvement.)

a. The board designates the following student record information as directory information:

- (1) name;
- (2) address;
- (3) telephone listing;
- (4) electronic mail address;
- (5) photograph;
- (6) date and place of birth;

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- (7) participation in officially recognized activities and sports;
 - (8) weight and height of members of athletic teams;
 - (9) dates of attendance;
 - (10) grade level;
 - (11) diplomas (including endorsements earned), industry credentials/certifications, and awards received; and
 - (12) most recent previous school or education institution attended by the student.
- b. The telephone number and actual address of a student who is or whose parent is a participant in the North Carolina Address Confidentiality Program is not considered directory information and will not be released.
- c. As required by law, the names, addresses, and telephone numbers of secondary school students shall be released, upon request, to military recruiters or institutions of higher learning, whether or not such information is designated directory information by the school system. Students or their parents, however, may request that the student's name, address, and telephone number not be released without prior written parental consent. School officials shall notify parents of the option to make a request and shall comply with any requests made.
- d. All requests for directory information must be submitted to the superintendent or designee for approval. The superintendent is directed to establish regulations regarding the release of directory information. At a minimum, the regulations must:
- (1) specify the types of organizations that are eligible to receive directory information and for what purposes;
 - (2) provide for equal disclosure to organizations that are similar in purpose; and
 - (3) authorize access to directory information to recruiters of military forces of the state or United States for the purpose of informing students of educational and career opportunities available in the military to the same extent that such information is made available to persons or organizations that inform students of occupational or educational options.

4. Records of Students with Disabilities

Students with recognized disabilities must be accorded all rights in regard to their records as provided by state and federal law, including the Individuals with Disabilities Education Act.

5. Disclosure of De-Identified Information

Education records may be released without consent of the parent or eligible student if all personally identifiable information has been removed. Personally identifiable information includes both direct and indirect identifiers that, alone or in combination, would allow a reasonable person in the school community, who does not have personal knowledge of the relevant circumstances, to identify the student with reasonable certainty.

Unless specifically permitted by law, records that have been de-identified must not be released without the consent of the parent or eligible student if school officials reasonably believe that the person requesting the information knows the identity of the student to whom the education record relates.

I. WITHHOLDING RECORDS

School system administrators shall not withhold records upon a valid request by a parent, eligible student, or school to which the student is transferring for any reason, including in order to collect fines assessed to the parent or student.

J. RECORD OF ACCESS AND DISCLOSURE

The principal or designee shall maintain a record in each student's file indicating all persons who have requested or received personally identifiable information from a student's record and the legitimate reason(s) for requesting or obtaining the information. This requirement does not apply to requests by or disclosure to parents, eligible students, school officials, parties seeking directory information, a party seeking or receiving the records under a court order or subpoena that prohibits disclosure, or those individuals with written parental consent.

K. DESTRUCTION OF STUDENT RECORDS

School officials shall only destroy student records in accordance with state and federal law and the *Records Retention and Disposition Schedule for Local Education Agencies*. After notifying parents, school officials may destroy student records when the records are no longer needed to provide educational services to the student or to protect the safety of the student or others. School officials must destroy student records if the parent or eligible student requests their destruction and if such records are no longer needed to provide educational services to the student or to protect the safety of the student or others.

School officials shall not destroy student records if there is an outstanding request to inspect the particular records.

L. LONGITUDINAL DATA SYSTEM

School system administrators will comply with the data requirements and implementation schedule for the North Carolina Longitudinal Data System (NCLDS) and will transfer designated student record data to the system in accordance with the NCLDS data security and safeguarding plan and all other requirements of state law, provided that doing so does not conflict with the requirements of FERPA.

Legal References: Family Educational Rights and Privacy Act, 20 U.S.C. 1232g, h, 34 C.F.R. pt. 99; Individuals with Disabilities Education Act, 20 U.S.C. 1411 *et seq.*; No Child Left Behind Act, 20 U.S.C. 7908; G.S. 7B-302, -3100; 14-208.29; 115C-47(26), -109.3, -402, -403, -407.5; 116E-6; Records Retention and Disposition Schedule for Local Education Agencies, N.C. Department of Cultural Resources, Division of Archives and History (1999), available at <http://www.ncdcr.gov/Portals/26/PDF/schedules/schoolschedulefinal.pdf>

Cross References: Parental Involvement (policy 1310/4002), Student and Parent Grievance Procedure (policy 1740/4010), Special Education Programs/Rights of Students with Disabilities (policy 3520), Children of Military Families (policy 4050), North Carolina Address Confidentiality Program (policy 4250/5075/7316), Disciplinary Action for Exceptional Children/Students with Disabilities (policy 4307), Student Discipline Records (policy 4345), Confidentiality of Personal Identifying Information (policy 4705/7825), Surveys of Students (policy 4720), Public Records – Retention, Release, and Disposition (policy 5070/7350)

Adopted:

PUBLIC RECORDS – RETENTION, RELEASE, AND DISPOSITION

Policy Code: **5070/7350**

The board is committed to providing access to public records and public information. All employees shall comply with the public records law and this policy.

A. ~~REQUESTS FOR PUBLIC RECORDS~~ PUBLIC RECORD DEFINED

~~All requests for examining or obtaining copies of public records should be in writing or recorded by school district personnel. Any denial of a public records request will be made in writing with the basis for the denial. Information will be made available to the requester concerning the cost of producing records and how to appeal a denial of a public records request. The superintendent or designee may issue additional guidelines consistent with this policy to further clarify the process for requesting public records.~~

Any record, in any form, that is made or received by the board or its employees in connection with the transaction of public business is a public record that must be made available to the public, unless such record is protected from disclosure by federal or state law or is otherwise exempted from the public records law, G.S. 132-1 through 132-9. (See policy 5071/7351, Electronically Stored Information Retention, for specific information regarding public records in electronic form.)

Though the school improvement plan is a public record, the school safety components of the plan are not public records subject to public records law.

The official records of students are not public records subject to inspection and examination. (For further information regarding the release of information about students, see policy 4700, Student Records.)

Information in school system employee personnel files is protected from disclosure in accordance with G.S. 115C-319, except that the following employee information is public record.

1. Name.
2. Age.
3. The date of original employment or appointment.
4. The terms of any past or current contract by which the employee is employed, whether written or oral, to the extent that the board has the written contract or a record of the oral contract in its possession.
5. Current position.
6. Title.

7. Current salary (includes pay, benefits, incentives, bonuses, deferred compensation, and all other forms of compensation paid to the employee).
8. The date and amount of each increase or decrease in salary with the board.
9. The date and type of each promotion, demotion, transfer, suspension, separation, or other change in position classification with the board.
10. The date and general description of the reasons for each promotion with the board.
11. The date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the board. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the board setting forth the specific acts or omissions that are the basis of the dismissal.
12. The office or station to which the employee is currently assigned.

The name of a participant in the North Carolina Address Confidentiality Program is not a public record and must be redacted from any records released. As necessary, school personnel may combine public and confidential records to meet the business needs of the system. However, if a record contains confidential information as well as public information, school officials must provide the requested public record with the confidential information removed or redacted.

B. DESIGNATION OF RECORDS OFFICER

The superintendent shall designate a records officer or otherwise ensure that the duties of a records officer are met. ~~The duties of the records officer will include the following:~~

1. Duties of the Records Officer

The duties of the records officer include the following:

- a. determining whether records are public or confidential by law, with assistance from the local board attorney as necessary;
- b. determining the most cost-effective means of storing and retrieving public records that include confidential information;
- c. providing training, consultation, and guidelines to school officials who respond to or are otherwise involved in public records requests;

- d. determining the actual cost of providing copies of public records in various forms, such as paper or electronic media, in which the school system is capable of providing the records;
- e. determining the cost of a request for copies of public records when a special service charge is applicable or when the school system is voluntarily creating or compiling a record as a service to the requester; and
- f. reviewing appeals of any denial of a request for public records.

2. Other Duties

Other duties to be performed by the records officer, a designated electronic records officer, or other employees as determined by the superintendent include the following:

- a. reviewing all electronic data processing systems being considered for lease or purchase to ensure that they will not impede the school system's ability to permit public inspection and examination of records;
- b. ensuring that databases are indexed as required by law; and
- c. conducting an inventory of electronic databases maintained by the school system on a regular basis.

C. INDEXING OF COMPUTER DATABASES

All computer databases compiled or created after June 30, 1998 must be indexed as required by law. The form and content of the indexes must conform to the guidelines issued by the North Carolina Division of Archives and History.

Any computer database that is being considered for purchase or lease by the school system and that will be subject to the indexing requirements should include the statutorily required index provided by the vendor at no additional cost to the school system.

In addition, the school system will voluntarily index databases created or compiled prior to July 1, 1998, so long as the process is not unreasonably burdensome or costly. Any voluntary indexing does not have to meet statutory requirements or the guidelines issued by the North Carolina Division of Archives and History.

D. REQUESTS FOR PUBLIC RECORDS

All requests for examining or obtaining copies of public records should be in writing or recorded by school system personnel. This policy, administrative guidelines, information on the actual cost of producing public records, information on how to reach the records officer, information about how to appeal a denial of a public records request, and

information regarding any computer database indexes must be made available to individuals requesting public records.

Public records must be released in accordance with the law. Any denial of a public records request must be made in writing and must include the basis for the denial. The superintendent or designee may issue additional guidelines consistent with this policy to further clarify the process for requesting public records.

E. FEES FOR COPIES OF PUBLIC RECORDS

~~The superintendent or designee is to determine the actual cost of providing copies of public records in the various forms in which the school district is capable of providing them. (See subsection above or Designation of Records Officer.)~~ Persons requesting copies of public records will be charged any applicable fees as determined by the records officer (see subsections B.1.d and B.1.e above). The school system shall not charge any fees for separating confidential information that is commingled with public records.

E. COMMUNICATION

~~This policy, administrative guidelines, information on the actual cost for producing public records, information on how to reach the records officer and any computer database indexes should be made available to employees and individuals requesting public records.~~

F. ELECTRONIC MAIL LISTS

A school employee may be authorized by the superintendent or designee to maintain an electronic mail list of individual subscribers. Such a list may be used only: (1) for the purpose for which the subscribers subscribed to it; (2) to notify subscribers of an emergency to public health or public safety; or (3) in the event of deletion of the list, to notify subscribers of the existence of any similar lists. Although such electronic mail lists of individual subscribers shall be available for public inspection in either printed or electronic format, school officials shall not provide anyone with copies of such lists.

G. DESTRUCTION OF PUBLIC RECORDS

School personnel shall comply with the Records Retention and Disposition Schedule for Local Education Agencies adopted by the N.C. Department of Cultural Resources, Division of Archives and History, unless otherwise required by statute, regulation, or other legal authority. The superintendent may establish regulations for the destruction of records in accordance with the approved schedule.

Legal References: Family Educational Rights and Privacy Act, 20 U.S.C. 1232g; G.S. 14-113.8(6); 115C-105.27(a2); 109.3, -319 to -321, -402; 132-1 to -9; Public Database Indexing: Guidelines and Recommendations, N.C. Department of Cultural Resources, Division of Archives

and History (1996); Records Retention and Disposition Schedule for Local Education Agencies, N.C. Department of Cultural Resources, Division of Archives and History (1999), available at <http://www.ncdcr.gov/Portals/26/PDF/schedules/schoolschedulefinal.pdf>; N.C. Attorney General Advisory Opinion, letter to Elizabeth Buford, February 26, 1996, available at <http://www.ncdoj.gov/About-DOJ/Legal-Services/Legal-Opinions/Opinions/Public-Records;-Computer-Database-Index.aspx>

Cross References: North Carolina Address Confidentiality Program (policy 4250/5075/7316), Student Records (policy 4700), Confidentiality of Personal Identifying Information (policy 4705/7825), News Media Relations (policy 5040), Electronically Stored Information Retention (policy 5071/7351), Personnel Files (policy 7820)

Adopted: April 9, 1998 to become effective July 1, 1998

Administrative Procedure: None

Updated: October 11, 2007

All schools will participate in federal National Child Nutrition Programs and will receive commodities donated by the United States Department of Agriculture. All federal and state revenues will be accepted and applied to maximize the use of such funds for the purposes of providing nutritional meals to students at the lowest possible price.

A. OPERATIONAL STANDARDS

The student food services program will be operated in a manner consistent with board goals and board policy. The program also will be operated in compliance with all applicable state and federal law, including requirements of the National School Lunch Program and all federal guidelines established by the Child Nutrition Division of the United States Department of Agriculture. Specific legal requirements that must be met include, but are not limited to, the following.

1. No child will be discriminated against because of race, sex, color, national origin, disability, age, or eligibility status for free and reduced price meals.
2. The student food services program will meet safety and sanitation requirements established in local, state, and federal rules and guidelines for school food service programs.
3. Menu preparation and purchasing will be consistent with applicable state and federal rules and guidelines.
4. Banking, record keeping, budgeting, and accounting will be conducted in accordance with generally accepted practices and procedures, as dictated by the School Budget and Fiscal Control Act and in accordance with state and federal guidelines.
5. Commodity foods donated by the United States Department of Agriculture will be used and accounted for in accordance with federal regulations.
6. Preference will be given in purchasing contracts to high-calcium foods and beverages, as defined in G.S. 115C-264.1.
7. Child ~~n~~utrition ~~p~~rograms (CNP) funds will be used only for the purposes authorized by law. Indirect costs, as defined by law, will not be assessed to the CNP unless the program has a minimum of one month's operating balance.
8. The price for meals will be determined in accordance with federal law.
9. Nonprogram foods will be priced to generate sufficient revenues to cover the cost of those items. A nonprogram food is defined as a food or beverage, other than a

reimbursable meal or snack, that is sold at the school and is purchased using funds from the child nutrition account.

10. All school food services will be operated on a non-profit basis for the benefit of the the ~~Child Nutrition Program~~ (CNP). School food services are those that are operated from 12:01 a.m. until the end of the last established lunch period.
11. All income from the sale of food and beverages that is required by law or regulation to be retained by the CNP will be deposited to the CNP account and ~~may~~ will be used only for the purposes of the school's non-profit lunch and breakfast programs. All funds from food and beverage sales not otherwise required by law to be deposited to the CNP account will be deposited into the proper school account in accordance with guidelines developed by the superintendent or designee.
12. School food services ~~may~~ will not sell foods of minimal nutritional value.

The board authorizes the sale of other "competitive foods" during the lunch period in compliance with law, provided the foods meet all applicable ~~the~~ standards, including those established under policy 6230, Nutritional Standards for Food Selection.

B. MEAL CHARGES

Students who are required to pay for meals are expected to provide payment in a timely manner. The board recognizes, however, that students occasionally may forget or lose their meal money. The board therefore directs the superintendent to develop a procedure to manage situations in which students are unable to pay for a meal on a particular day. The superintendent shall ensure that federal child nutrition funds are not used to offset the cost of unpaid meals and that the CNP is reimbursed for uncollected student meal charges prior to the end of the year.

The superintendent or designee shall establish other procedures as appropriate to help ensure compliance with board policy and legal requirements.

Legal References: Child Nutrition Act of 1966, 42 U.S.C. 1771 *et seq.*; National School Lunch Act, 42 U.S.C. 1751 *et seq.*, 7 C.F.R. pt. 210; 2 C.F.R. pt. 225, App. B; G.S. 115C-47(7), -47(22), -263, -264, -264.1, -426, -450, -522; 16 N.C.A.C. 6H .0104; State Board of Education Policy TCS-S-000

Cross References: Goals of Student Food Services (policy 6200), Nutritional Standards for Food Selection (policy 6230), Beverage Vending Sales (policy 6235), Goals of the Purchasing Function (policy 6400)

Adopted:

The board recognizes that an effective staff is critical to the smooth operation of the school system and to creating a learning environment in which students can succeed. The board further believes that students will not excel in performance unless those who most directly affect students, including school administrators, teachers and other licensed professionals, excel in their performance.

A. ~~STANDARD FOR CAREER STATUS~~

~~Career status with this system should be reserved for individuals of proven ability who strive for excellence. It is the intent of the board to grant career status only to those teachers who, based upon the superintendent's recommendation, exhibit a pattern of teaching behavior that exemplifies above average performance at the end of the probationary period. The superintendent must be able to substantiate any recommendation for career status with evaluation data, as described in policy 7810, Evaluation of Licensed Employees. Career status will not be granted unless the board is satisfied that the probationary employee has met the standards established by the board. Career status may be denied on any legally permissible basis following statutorily prescribed procedures.~~

~~An employee who has obtained career status with the school system is expected to continue to strive for excellence, meet all performance standards established by the board and pursue professional development as provided in policy 1610/7800, Professional and Staff Development. Any employee who is unable or unwilling to meet the reasonable standards of the board may be subject to demotion or dismissal as provided in policy 7930, Professional Employees: Demotion and Dismissal.~~

B. ~~ELECTION OF A TEACHER TO CAREER STATUS~~

~~When a teacher has been employed in the school system for four consecutive years of service, the board, near the end of the fourth year, will vote on whether to grant the teacher career status. "Consecutive years of service" shall be determined in compliance with the provisions of G.S. 115C 325(c)(5). When a teacher has already obtained career status in any North Carolina public school system and either changes school systems or returns to teaching after leaving the profession, the board will either grant career status immediately upon employing the teacher or vote on whether to grant career status after the teacher's first year of employment. The board will vote on whether to grant career status and will give the teacher written notice of the decision by June 15 or such later date as provided in G.S. 115C 325(m)(7).~~

~~For all proceedings initiated after August 31, 2010, all teachers eligible for career status have the right to a hearing before the board if the superintendent recommends that the board not grant the teacher career status for any reason other than a reduction in force. By no later than May 15, the superintendent shall provide written notice to the teacher of~~

~~the superintendent's intent to recommend not granting career status and of the teacher's right, within 10 days of receipt of the superintendent's recommendation, (1) to request and receive written notice of the reasons for the superintendent's recommendation and the information that the superintendent may share with the board to support the recommendation; and (2) to request a hearing if the superintendent recommends that the board not grant career status for any reason other than a reduction in force. The failure to file a timely request within 10 days shall result in a waiver of the right to this information and any right to a hearing. If the teacher files a timely request for information, the superintendent shall provide the requested information within three calendar days and shall arrange for a hearing if one has been timely requested. The teacher shall be permitted to submit supplemental information to the board up to five calendar days before the hearing, or if the teacher has not requested a hearing, up to five calendar days before the board's decision whether to accept the superintendent's recommendation for nonrenewal.~~

~~The superintendent shall establish any procedures necessary to implement this policy.~~

~~Legal References: G.S. 115C 47(18), 325~~

~~Cross References: Professional and Staff Development (policy 1610/7800), Evaluation of Licensed Employees (policy 7810), Professional Personnel Reduction in Force (policy 7920), Professional Employees: Demotion and Dismissal (policy 7930), Probationary Teachers: Nonrenewal (policy 7950)~~

~~Rescinded:~~

The board of education believes that it is important for employees to have leave available to attend to personal, civic, and professional matters as well as to meet family commitments. This need for leave is to be balanced with the need to provide an effective instructional program for students. No employee may be discharged, demoted, or otherwise subjected to adverse employment action for taking leave in accordance with board policies and administrative procedures.

All requests for leave, with or without pay, must be addressed in accordance with state and federal law, as well as policies promulgated by the State Board of Education, including those specified in the most current edition of the *North Carolina Public Schools Benefits and Employment Policy Manual*.

In addition to applicable laws and regulations, the following board policies apply to leave requests. The superintendent is directed to develop administrative procedures and make them available to any employee upon request.

A. MINIMUM LEAVE TIME

An employee may take any type of leave in increments of hours unless otherwise specified in this policy.

B. CONTINUOUS LEAVE OF MORE THAN 10 DAYS

An employee must comply with the notice and verification requirements provided in policy 7520, Family and Medical Leave, for continuous leave of more than 10 days if: (1) the leave also is eligible for leave under the Family and Medical Leave Act (FMLA), defined in policy 7520, and (2) the leave is designated as FMLA-eligible at the time it is taken or as soon as is feasible thereafter.

C. SICK LEAVE

The superintendent or designee may require a statement from a medical doctor or other acceptable proof that the employee was unable to work due to illness. Employees who anticipate using sick leave for more than a single day must inform the principal or immediate supervisor in advance so that arrangements may be made to reassign the employee's duties during the period of absence.

D. PERSONAL LEAVE

Teachers earn personal leave at a rate of .20 days for each full month of employment, not to exceed two days per year. Unused personal leave may be carried forward from one year to another and may be accumulated without limitation until June 30 of each year. On June 30, personal leave in excess of five days shall be converted to sick leave so that

a maximum of five days of personal leave is carried forward to July 1. At the time of his or her retirement, a teacher may also convert accumulated personal leave to sick leave for creditable service towards retirement.

Personal leave must be used in half or whole day units. Personal leave may be requested by application in accordance with the policies of the State Board of Education and may be used only upon the authorization of the teacher's immediate supervisor. A teacher shall not take personal leave on the first day he or she is required to report for the school year, on a required teacher workday, on days scheduled for state testing, or on the day before or the day after a holiday or scheduled vacation day, unless the request is approved by the principal. On all other days, if the request is made at least five days in advance, the request will be automatically granted subject to the availability of a substitute teacher. The teacher cannot be required to provide a reason for the request.

E. VACATION LEAVE

The superintendent or designee has the authority to approve the vacation schedules of all personnel. To promote the efficient operation of the schools, the superintendent may designate certain periods during the nonacademic year as preferred vacation periods for 12-month employees. Vacation earned by 12-month teachers during the two months of "extended employment" may be taken only upon the authorization of the employee's immediate supervisor and in accordance with procedures established by the superintendent. Vacation earned by teachers and other 10-month employees during the 10-month school-year employment may be taken as outlined in the school-year calendar. If a teacher schedules vacation leave in accordance with the school calendar, the board and/or principal must give the teacher at least 14 calendar days' notice before requiring the teacher to work on the scheduled day(s), unless the teacher waives the notice requirement.

Annual vacation leave may be accumulated without any applicable maximum until June 30 of each calendar year. On June 30, accumulated annual vacation leave in excess of 30 days will be converted to sick leave so that only 30 workdays of annual vacation leave are carried forward.

An employee who has unused vacation time from another school system in North Carolina may have the vacation time transferred to this school system.

~~Bus drivers and i~~Instructional personnel who must be replaced by a substitute may not take earned vacation on days when school is in session for students unless the employee's absence is due to the employee's own catastrophic illness and the employee has exhausted all of his or her sick leave or unless the employee qualifies as a new parent. In such instances, the employee will not be required to pay the substitute.

Within any given year, instructional personnel who do not require a substitute may be granted a maximum of five vacation days when students are in attendance. Such days may not be consecutive. Leave will not be granted for days immediately before or

immediately following days when students are out of school. Leave will not be granted on mandatory staff development days. An exception to these restrictions may be made when an employee is absent due to a catastrophic illness and the employee has exhausted all of his or her sick leave.

The superintendent shall establish procedures for reviewing requests for the use of vacation leave for catastrophic illness by instructional personnel ~~and bus drivers~~.

F. CHILD-SCHOOL INVOLVEMENT LEAVE

All employees may take up to four hours of unpaid leave per year to attend or otherwise be involved in the school of a child for whom the employee is a parent, guardian or person standing in loco parentis.

G. COMPENSATORY LEAVE

Because professional employees are expected to fulfill all job duties, compensatory leave should apply only in extraordinary circumstances.

Employees who are not exempt from the provisions of the Fair Labor Standards Act may accrue compensatory time (comp time) at a rate of one and one-half hours for every one hour worked in lieu of receiving overtime pay for each hour worked beyond 40 in a given workweek. For the purpose of compliance with the Fair Labor Standards Act, the workweek for school system employees will be from 12:00 a.m. Saturday until 11:59 p.m. Friday. Supervisors shall arrange for employees to take comp time within one pay period following the time it is earned, if possible. The superintendent or designee may exempt certain employees or categories of employees from this comp time provision when deemed necessary for the proper administration of the school system.

An employee must obtain approval from his or her immediate supervisor before taking compensatory leave.

H. MILITARY LEAVE

Employees may take up to 15 workdays of paid military leave during the federal fiscal year, which runs from October 1 through September 30. Paid military leave may be used for: (1) active duty training in the Reserve Components of the U.S. Armed Forces, including the National Guard, the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air Force Reserve, and the Coast Guard Reserve; (2) required physical examinations relating to membership in a reserve component; and (3) regularly scheduled unit assemblies, also referred to as drills. For infrequent special activities in the interest of the state when authorized by the Governor or designee, members of the National Guard may be paid for up to 30 days in addition to the 15 days allowed for training.

I. LEAVE OF ABSENCE WITHOUT PAY

An employee may be granted a leave of absence without pay for the following reasons and for a period of time of up to one calendar year, renewable at the discretion of the superintendent with approval from the board:

1. military leave (see also policies 7520, Family and Medical Leave, and 7530, Military Leave);
2. personal illness in excess of sick leave;
3. family leave (see also policy 7520);
4. professional leave; and
5. other reasons at the discretion of the superintendent with the approval of the board.

An employee seeking leave is responsible for making necessary arrangements as provided in the administrative procedures. Except in the case of an emergency, an employee who desires a leave of absence without pay shall provide at least 60 days' notice and shall submit a request in writing to the board stating the beginning and ending dates of the desired leave of absence. The employee is expected to consult with the principal or his or her immediate supervisor. The superintendent may request documentation from the employee in support of his or her request. In determining the length of absence without pay that will be approved, with the exception of military and family leave, due and proper consideration must be given to the welfare of the students as well as the employee. The superintendent may require the employee to give notice of his or her intent to return to work at reasonable time intervals during the leave.

Once a leave of absence without pay has been requested by an employee and approved by the board, the dates are binding unless both parties agree to a change.

Legal References: G.S. 95-28.3; 115C-12, -36, -47, -84.2, -285, -302.1, -316, -336, -336.1; 16 N.C.A.C. 6C .0401-.0405; State Board of Education Policy TCP-D-003, North Carolina Public Schools Benefits and Employment Policy Manual (~~2008-2009~~N.C. Dept. of Public Instruction, current version), available at <http://www.ncpublicschools.org/docs/humanresources/district-personnel/key-information/information/policymanual.pdf>

Cross References: Family and Medical Leave (policy 7520), Military Leave (policy 7530), Voluntary Shared Leave (policy 7540), Absences Due to Inclement Weather (policy 7550)

Adopted:

The board recognizes that an effective staff is critical to the smooth operation of the school system and to creating a learning environment in which students can succeed. The board further believes that students will not excel in performance unless those who most directly affect students, including school administrators, teachers, and other licensed professionals, excel in their performance. It is the intent of the board to employ only those licensed employees who continuously exhibit a pattern of behavior that exemplifies excellent performance.

The board places a high priority on securing the most competent personnel available and, once they are employed, in assisting them in their professional growth and development throughout their careers. An effective evaluation program that clearly describes an employee's performance is a critical aspect of professional growth and assistance. Further, performance evaluation data is an important factor for consideration in decisions regarding continued employment. The superintendent must be able to substantiate any recommendation for continued employment with evaluation data, among other factors.

The superintendent is directed to develop and implement an effective evaluation system for licensed personnel that is consistent with State Board of Education policies. School administrators who are responsible for conducting evaluations shall comply with all state requirements with regard to the type and frequency of evaluation. The school principal shall evaluate teachers and may incorporate any guidelines or strategies developed by the State Board to assist in the evaluations. The superintendent or designee shall evaluate principals and assistant principals.

All licensed personnel must be evaluated at least annually using state-approved evaluation instruments in conformance with any processes established by the State Board for that class of personnel. ~~For a career teacher who is in his or her license renewal year, the teacher must be evaluated by using the formal teacher evaluation process as set forth in State Board Policy TCP-C-004.~~ For a career teacher who is not in his or her license renewal year, the abbreviated evaluation process established in State Board Policy TCP-C-004 is sufficient to satisfy the annual evaluation requirement; however, a teacher receiving an abbreviated evaluation may request that the evaluator conduct a formal evaluation. In addition, in any given year, the principal may elect to use the formal evaluation process set forth in the State Board Policy TCP-C-004 to evaluate a career teacher. The annual evaluation of principals and assistant principals must include a mid-year review.

The evaluation system must incorporate the following directives.

1. Evaluators must clearly identify exemplary performance as well as deficiencies in performance.
2. Evaluators are encouraged to use supplementary means of assessing and documenting performance in addition to the state performance standards, assessment rubrics, and evaluation instruments, including, but not limited to, additional formal observations,

- informal observations, conferences, reviews of lesson plans and grade books, interactions with the employee, plans of growth or improvement, and any other accurate indicators of performance.
3. Student performance and growth data will be considered as a part of the evaluation of licensed personnel, as provided in the assessment rubric for the class of employees under evaluation. For teachers, such data shall include analysis of student work for performance-based courses and student performance as measured by the statewide growth model for educator effectiveness or as otherwise authorized by the State Board of Education and approved by the local board.~~(1) end-of-grade tests, (2) end-of-course tests, (3) common exams and (4) Career and Technical Education Post-Assessments.~~ Multiple means of assessing student performance must be used whenever possible. If only one method is used to measure student performance, it must be a clearly valid tool for evaluating an employee's impact on student performance.
 4. Peer observations of probationary teachers must be conducted as required by law using the evaluation instrument and process established by the State Board and must be considered by the school administrator in evaluating teacher performance.
 5. Supervisors and principals should facilitate open communication with employees about performance expectations.
 6. An employee who is unclear about how performance is being assessed or who desires additional evaluation opportunities should address these issues with his or her immediate supervisor.
 7. Evaluators will be held accountable for following the evaluation system and all applicable state guidelines on the evaluation of employees.
 8. Evaluation data will be submitted to the central office personnel file in accordance with state law and policy 7820, Personnel Files.
 9. Evaluation data will be used in making employment decisions, including decisions related to professional and staff development (see policy 1610/7800, Professional and Staff Development), ~~career status (see policy 7410, Career Status),~~ and suspension, demotion, and dismissal of employees (see policy 7930, Professional Employees: Demotion and Dismissal and policy 7940, Classified Personnel: Suspension and Dismissal). Employment decisions may be made by the board and administrators regardless of whether evaluators have followed the evaluation system, so long as there is a legally sufficient basis for the decisions.
 10. The superintendent and all evaluators are encouraged to develop ways to recognize distinguished performance and to capitalize on the abilities of such exemplary employees in helping other employees. The superintendent and evaluators are encouraged to involve employees in developing these processes.

The superintendent shall develop any other necessary procedures and shall provide training, as necessary, to carry out the board's directives and to meet state requirements.

Legal References: G.S. 115C-47(18), -286.1, -325, -333, -333.1; State Board of Education Policies TCP-C-004, -005, -006, -022

Cross References: Professional and Staff Development (policy 1610/7800), ~~Career Status (policy 7410)~~, School Administrator Contracts (policy 7425), Plans for Growth and Improvement of Licensed Employees (policy 7811), Personnel Files (policy 7820), Professional Employees: Demotion and Dismissal (policy 7930), Classified Personnel: Suspension and Dismissal (policy 7940)

Adopted:

PROBATIONARY TEACHERS: NONRENEWAL

Policy Code:

7950

The board, upon recommendation of the superintendent, may refuse to renew the contract of any probationary teacher or to reemploy any teacher who is not under contract for any cause it deems sufficient, so long as the cause is not arbitrary, capricious, or discriminatory or for personal or political reasons. Probationary teachers during the term of their contracts will be demoted or dismissed only in accordance with policy 7930, Professional Employees: Demotion and Dismissal.

A. TEACHER RIGHTS UPON NONRENEWAL

By no later than May 15, the superintendent shall provide written notice to the probationary teacher of the superintendent's intent to recommend nonrenewal of the teacher's contract and the teacher's right, within 10 days of receipt of the superintendent's recommendation, to request and receive written notice of the reasons for the superintendent's recommendation for nonrenewal and the information that the superintendent may share with the board to support the recommendation for nonrenewal. The failure to file a timely request within 10 days shall result in a waiver of the right to this information. If a teacher files a timely request, the superintendent shall provide the requested information, and the teacher shall be permitted to submit supplemental information to the superintendent and board prior to the board's decision.

~~A probationary teacher, whose contract is not in the final year before the probationary teacher is eligible for career status, has the right to petition the board for a hearing regarding the superintendent's recommendation for nonrenewal. The board will notify the probationary teacher of its decision whether to grant a hearing. For all proceedings initiated after August 31, 2010, teachers eligible for career status have the right to a hearing before the board if the superintendent recommends that the board not grant the teacher career status for any reason other than a reduction in force (see policy 7410, Career Status).~~

The board will notify the probationary teacher whose contract will not be renewed for the next school year of its decision by June 15. If, however, a teacher submitted a request for information or a hearing, the board shall provide the nonrenewal notification by July 1 or a later date upon the written consent of the superintendent and teacher.

~~B. NONRENEWAL DUE TO REDUCTION IN FORCE: PROBATIONARY STATUS~~

~~The provisions in this section apply to full-time permanent probationary teachers who (1) are non-renewed because of a decrease in the number of school system positions resulting from decreased funding, decreased enrollment or school system reorganization and (2) are subsequently rehired by the board within three years of their nonrenewal.~~

~~The provisions in this section also apply to full-time permanent probationary teachers who (1) resign in good standing effective at the end of the school year after receiving documentation that their position may be eliminated because of a decrease in the number~~

~~of school system positions resulting from decreased funding, decreased enrollment or school system reorganization and (2) are subsequently rehired by the board.~~

~~1. Teachers Not Eligible for Career Status at the Time of Nonrenewal~~

~~The intervening years when the teacher was not employed by the board shall not be deemed to constitute either a break in continuity of years of service or a consecutive year of service for purposes of determining eligibility for career status, provided the teacher gives notice as required in subsection B.3, below.~~

~~2. Teachers Eligible for Career Status at the Time of Nonrenewal~~

~~Teachers who have met all service requirements to be eligible for career status pursuant to policy 7410 at the time of their nonrenewal shall be eligible for a career status decision after one additional year of employment upon being rehired, provided the teacher gives notice as required in subsection B.3, below.~~

~~3. Required Notice~~

~~a. Within 60 calendar days of the teacher's first day of employment upon being rehired, the teacher must:~~

~~(1) give written notice to the assistant superintendent for human resources that the teacher's nonrenewal did not constitute a break in service because it was pursuant to policy 7920, Professional Personnel Reduction in Force; and~~

~~(2) provide information establishing to the satisfaction of the superintendent that the teacher was non renewed because of a decrease in the number of positions triggered by decreased funding or enrollment or due to school system reorganization.~~

~~b. The superintendent or designee shall notify the teacher of the 60 day deadline using a method reasonably calculated to provide actual notice. If the superintendent or designee fails to provide notice within 30 calendar days after the teacher's first day of employment upon rehiring, the teacher's obligation to provide notice shall not commence until such time that the teacher is notified by the superintendent or designee of the 60 day deadline.~~

~~c. The superintendent is not authorized to waive the notice required from the teacher by this subsection without the prior approval of the board.~~

~~4. Superintendent's Decision and Board Review~~

~~a. The superintendent shall issue a written decision to the teacher within a~~

~~reasonable period of time upon receiving the information required by this section.~~

~~b. Within 10 calendar days of receipt, the teacher may petition the board in writing for review of the superintendent's decision.~~

~~c. The board will review the matter on the record and issue a written decision.~~

Legal References: G.S. 115C-45(c), -325

Cross References: ~~Career Status (policy 7410)~~, Professional Personnel Reduction in Force (policy 7920), Professional Employees: Demotion and Dismissal (policy 7930)

Adopted:

Asheboro City Schools
January 2, 2014

School Calendar 2015-2016 Draft

For what it's worth, it's too bad we couldn't keep graduation on a Friday.

Ben Heckethorn, AHS Teacher

Will it ever be possible to start earlier in August, so we can finish exam in December?
So when we come back after Christmas we are starting fresh with the new semester? I think this would be a strong benefit to the high school at least.

Melissa Reid, Mathematics teacher, AHS/BCA

Just wondering when or if there will be a 6 week grading period workday between March 4th –Teachers Workday and June 9th – Teachers Workday?

Underwood, Andrea, Asheboro High School

Can spring break be pushed back to April 4-8?

Heather Wilburn Norris, South Asheboro Middle School,
Health and Physical Education Teacher

It would be great to have Dec 21 and 22 off and make the time up at the end of the year June 9 and 10

De-Anne Frazier, RN, BSN, Asheboro City Schools

I agree

Rosemary Dietrick

Our Balfour EC Team thinks that it would be a great idea if we had December 21st and 22nd off and then work through June 10th. This would be the same as the calendar for this school year.

Balfour EC Team

Could we have December 22nd off and take away a workday? Use a workday as an instructional day. The kids and the teachers are ready for a break at Christmas. Just an idea.

Molita Kidd, IA Balfour Elementary School

My feedback is to move either the March workday on the 4th or the PD on the 7th to the last week of April. Why should students miss 2 days in March in addition to Spring Break This is 8 days off in a 21 day period.

Sara Ralph, Media Coordinator Balfour Elementary

I wish ACS and RCS could be aligned in having the full 2-weeks break for students around Christmas. RCS has this for 2014-15 and 2015-16, by adding a workday and annual leave day before Christmas, etc.

Jeff Moss, Principal Seagrove Elementary School

Calendario de las Escuelas de la Ciudad de Asheboro 2015 - 2016

Draft

Draft

July 2015						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August 2015						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2015						
S	M	T	W	T	F	S
		1	2	3	4	5
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

October 2015						
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25	26	27	28	29	30	31

November 2015						
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29	30					

December 2015						
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13	14	15	16	17	18	19
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27	28	29	30	31		

Julio	
3	Día Festivo
Agosto	
17	Los empleados se reportan
17-21	Días Laborales
24	Primer día de Escuela

Septiembre	
7	Día Festivo
Octubre	
8-9	Días Laborales
Noviembre	
11	Día Festivo
25	Día Laboral
26-27	Días Festivo

Diciembre	
23	Vacación/Salida Anual
24-25	Días Festivo
28-31	Vacación/Salida Anual
Enero	
1	Día Festivo
18	Día Festivo
19-20	Días Laborales

Febrero	
15	Día Laboral
Marzo	
4,7	Días Laborales
25	Día Festivo
28-31	Vacación/Salida Anual

Abril	
1	Vacación/Salida Anual

Mayo	
30	Día Festivo

Junio	
8	Ultimo día de escuela
9-10	Días Laborales

Días Festivos
Días Laborales
Días Laborales Laborales
Vacaciones/Salida Anual
Obligatorio Desarrollo Prof.

January 2016						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February 2016						
S	M	T	W	T	F	S
	1	2	3	4	5	6
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

March 2016						
S	M	T	W	T	F	S
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27	28	29	30	31		

April 2016						
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May 2016						
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29	30	31				

June 2016						
S	M	T	W	T	F	S
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Asheboro City Schools Calendar 2015 - 2016

Draft

July 2015						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August 2015						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2015						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

October 2015						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

November 2015						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December 2015						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

July	
3	Holiday
August	
17	Staff Reports
17-21	Teacher Workdays
24	Students Report

September	
7	Holiday
October	
8-9	Teacher Workday
November	
11	Holiday
25	Teacher Workday
26-27	Holiday

December	
23	Vacation/Annual Leave
24-25	Holiday
28-31	Vacation/Annual Leave

January	
1	Holiday
18	Holiday
19-20	Teacher Workdays

February	
15	Teacher Workday
March	
4,7	Teacher Workdays
25	Holiday
28-31	Vacation/Annual Leave

April	
1	Vacation/Annual Leave

May	
30	Holiday

June	
8	Last Day for Students
9-10	Teacher Workdays

Holidays
Teacher Workdays
Required Workdays
Vacation/Annual Leave
Mandatory Prof. Develop.

January 2016						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February 2016						
S	M	T	W	T	F	S
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7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

March 2016						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

April 2016						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

May 2016						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

June 2016						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

School/Location	Date	Event	Time
SAMS	Tuesday, January 7	District Science Fair	TBD
AHS	Wednesday, January 8	Senior Board Night	5:30pm
AHS/PAC	Thursday, January 9	AHS Percussion & Jazz Concert	7:30pm
PDC	Thursday, January 9	Board of Education Meeting	7:30pm
NAMS	Friday, January 17	Legislative Breakfast	8:00am
DLL	Friday, January 24	Board Appreciation Luncheon	12:00 Noon
CO	Monday, February 3	Superintendent's PTO President's Round Table	6:30pm - 8:00pm
DLL	Saturday, February 8	Winter Board Retreat	8:00am - 4:00pm
PDC	Monday, February 10	FAN - 8th Grade Parent Meeting	6:30pm - 8:00pm
PDC	Thursday, February 13	Board of Education Meeting	7:30pm
PDC	Tuesday, February 18	District Spelling Bee	7:00pm
PDC	Wednesday, February 26	Superintendent's Student Advisory Council	7:30am
AHS	February 27 and 28	Hosting All County Band	TBD
AHS	Thursday, March 6	Curriculum Fair	TBD
AHS/PAC	Thursday, March 6	Chorus Concert	7:30pm
PDC	Thursday, March 13	Board of Education Meeting	7:30pm
AHS	Monday, March 17	Open House	4:00pm to 6:30pm
AHS/PAC	Wednesday, March 26	Winter Athletic Award Ceremony	7:00pm

BOARD OF EDUCATION GOALS 2013-2014

January 2014 Update

STRATEGIC GOAL:

By 2016, **90 percent** or more of Asheboro City Schools students will graduate with the skills needed as 21st century learners, workers, and citizens.

STRATEGIC OBJECTIVES:

1. Engage each student

1. Teach the standards through the lens of critical thinking and collaboration so that students will be critical thinkers and problem solvers (**4 C's**).
2. Identify and nurture **problem-based learning** partnerships with the community and beyond for planning and evaluating real world solutions.
3. Complete professional development book study on **global awareness** and explore Spanish immersion or global programming at the elementary level.
4. Implement **Positive Behavior Instructional Support** program at each school.

All administrators participated in professional development on November 20 and December 18 on implementing effective student discipline strategies. At the November session we reviewed effective classroom management strategies, and at the December session we focused on effective strategies for students who need more intensive behavioral support (Tier II). Similar sessions are also planned for teachers and principals together at our professional development day on January 22.

5. Implement strategies to **reduce number of office referrals and out of school suspensions for black students**.
6. Develop a district-wide program to prevent **bullying**.
7. Review and update **crisis plans**.

We have concluded all of the safety walks at each site in partnership with Asheboro Police Department, Fire Department, and Emergency Management Services. At each site we discussed various scenarios and considered improvements to safety protocols. These discussions were led by Dr. Brad Rice and also involved school principals and assistant principals, SROs, Mike Mize, Elizabeth Johnson, and myself. Action steps are now being taken and crisis plans are being updated to address needed modifications.

2. Assess for learning

1. Establish **core curriculum proficiency indicators and performance rubrics** for monitoring academic progress in K-12 **reading and mathematics**.
2. Improve design and use of **performance rubrics** to guide students in demonstrating learning.

3. Improve achievement

1. Develop K-12 instruction and assessment plan for the **writing process**.
2. Implement **transition plans** for at-risk students in order to facilitate their educational transitions between elementary, middle, and high school.
3. Develop an **academic plan with each 7th grade student** that supports their vocational interests, is aligned with their individual goals, includes course selection, and culminates in graduation.
4. Implement strategies to **prevent summer reading loss**.
5. Using 2012-13 data, implement **early intervention system for struggling readers**.
6. Provide **academic enrichment opportunities** for targeted students in middle school.
7. Explore strategies to **increase availability of high school courses for middle school students**.

4. Create opportunities

1. Increase **parent outreach** through workshops or classes on targeted topics related to academic achievement priorities.

Results of the fall parent survey were shared with administrators at our November 20 meeting. In addition to identifying existing opportunities provided at the school and district level, ideas were generated for additional school-based and district-level workshops based on parents' survey feedback.

2. Partner with UNCG and community stakeholders to assess and **evaluate the needs for a Parent Academy**.
3. Implement **communication strategy** to increase community awareness and involvement in our schools.

Our annual report in the new calendar form was mailed out to all Asheboro City Schools taxpayers on December 9. We have had very positive responses from citizens about the calendar.

4. **Formalize community partnerships and volunteer services** and establish protocols for data collection.
5. Increase **student internship and job shadowing opportunities**, including paid student internships.

5. Build capacity

1. Provide district support for **teacher-led professional development** and continue Teacher Leadership Academy cohort #4.
2. Implement State Board of Education process for **evaluating teacher performance tied to student outcomes (Standard 6)**.

Principals and teachers received their personal EVAAS reports from SAS and the Department of Public Instruction in December. School administrators will review this information and incorporate it into annual professional growth plans and discussions.

3. **Explore performance pay options** for future.
4. Implement strategies to **improve inter-rater reliability** in performance evaluations.
5. Improve **application review, interview preparation, and reference-checking protocols**.
6. Update and implement **support program for beginning teachers**.



Asheboro City Schools

...the subject is excellence

Office of the Superintendent

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Asheboro City Board of Education January 9, 2014

Committee Assignments

2014

Finance

Gus Agudelo, Chair
Joyce Harrington
Archie Priest
Kelly Harris
Kyle Lamb
Jane Redding, ex-officio
Steve Jones, ex-officio

Policy

Phillip Cheek, Chair
Linda Cranford
Gidget Kidd
Chris Yow
Jane Redding, ex-officio
Steve Jones, ex-officio

Legislative

Linda Cranford, Chair
Gidget Kidd
Joyce Harrington
Jane Redding, ex-officio
Steve Jones, ex-officio

Board Action Groups

2014

Asheboro

Linda Cranford
Kyle Lamb
Phillip Cheek

Blue

Steve Jones
Kelly Harris
Gidget Kidd

Comets

Archie Priest
Gustavo Agudelo
Chris Yow

School Assignments 2013-2014

AHS

SAMS

NAMS

Balfour

CWM

DLL

GBT

LP

ECDC

ALL

Dr. Kelly Harris, Linda Cranford, Phillip Cheek, Gustavo Agudelo, Gidget Kidd

Steve Jones, Archie Priest, Chris Yow, Joyce Harrington, Kyle Lamb

Steve Jones, Linda Cranford

Joyce Harrington, Gustavo Agudelo

Dr. Kelly Harris, Kyle Lamb

Gidget Kidd, Archie Priest

Chris Yow, Phillip Cheek

Jane Redding