

AGENDA

Special Joint Meeting of the Asheboro City Board of Education and the Randolph County Board of Commissioners

Professional Development Center
February 12, 2026
5:30 p.m.

Welcome

Ms. Gidget Kidd, Chair
Asheboro City Board of Education

Call to Order

Mr. Darrell Frye, Chair
Randolph County Board of Commissioners

Information and Reports

Dr. Aaron Woody, Superintendent
Asheboro City Schools

- a. South Asheboro Middle School Construction Update – Bobbitt Construction*
- b. Budget considerations for 2026-2027 – Dr. Aaron Woody, Superintendent*
- c. 10-Year Facilities Plan – Dr. Aaron Woody, Superintendent*
- d. Discussion*

Adjournment

Mr. Darrell Frye, Chair
Randolph County Board of Commissioners

ASHEBORO CITY BOARD OF EDUCATION

Regularly Scheduled Meeting
Professional Development Center

February 12, 2026

6:30 p.m.

5:30 p.m. Joint Meeting with Randolph County Board of Commissioners

I. Opening

- A. Call to Order
- B. Moment of Silence
- C. Pledge of Allegiance – Guy B. Teachey Student
- D. *Approval of Agenda

II. Superintendent's Report – Dr. Aaron Woody, Superintendent

III. Public Comments

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

IV. *Consent Agenda

- A. Approval of Minutes for January 8, 2026, Board of Education Meeting
- B. Policies for Approval:
 - Policy 2125/7315 Confidential Information
 - Policy 3101 Dual Enrollment
 - Policy 3220 Technology in the Educational Program
 - Policy 3225/4312/7320 Technology Responsible Use
 - Policy 3226/4205 Internet Safety
 - Policy 3227/7322 Web Page Development
 - Policy 4152 Unsafe School Choice Transfer
 - Policy 4240/7312 Child Abuse And Related Threats To Child Safety
 - Policy 4270/6145 Concussion And Head Injury
 - Policy 7425 School Administrator Contracts
- C. Personnel
- D. Overnight Field Trip - Asheboro High School DECA Competition in Greensboro February 2026
- E. 2026 Lottery Distribution Request

V. Information, Reports, and Recommendations

- A. Policies for Review – Ms. Michelle Harger, Director of Support Services
 - Policy 2670 Business Advisory Council

- Policy 6310 Organization of Student Transportation Services
- Policy 7910 Retirement
- B. Schools Continuous Improvement Plans (CIP) Update – Principals
 - Guy B. Teachey Elementary School – Mr. Jordan Seagraves, Principal
 - Asheboro High School – Dr. Ryan Moody, Principal
- C. Asheboro High School Course Update – Ms. Deanna Wiles, Director of Curriculum & Academic Program Support and Ms. Sarah Beth Cox, Director of Career & Technical Education (CTE)

VI. *Action Items

- A. 2024-2025 Audit Report – Ms. Sandra Spivey Ayers, Chief Financial Officer, and Adam Scepurek, Anderson, Smith & Wike PLLC
- B. Asheboro High School New Course Request – Ms. Sarah Beth Cox, Director of Career & Technical Education (CTE)
- C. Asheboro City Schools 2027-2028 Calendar – Ms. Michelle Harger, Director of Support Services

VII. Board Operations – Gidget Kidd, Chair

- A. Calendar of Events

VIII. Adjournment

*Item(s) requires action/approval by the Board of Education

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
Regularly Scheduled Meeting
Professional Development Center
February 12, 2026
6:30 p.m.**

Addendum

5:30 p.m. Joint Meeting with Randolph County Commissioners (Agenda added)

- I. Opening**
- II. Superintendent's Report**
- III. Public Comments**
- IV. *Consent Agenda**
 - C. Personnel (addendum added)
- V. Information, Reports, and Recommendations**
- VI. *Action Items**
- VII. Board Operations**
- VIII. Adjournment**

*Item(s) requires action/approval by the Board of Education.

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
Professional Development Center
Regularly Scheduled Meeting
January 8, 2026

Policy Committee

Committee Members Present:

Dr. Beth Knott
Gidget Kidd, Chair

Dr. Brad Thomas
Melissa Calloway, Vice Chair

Mikayla Cassidy

Other Board Members Present:

Scott Eggleston, Attorney

Staff Members Present:

Dr. Aaron Woody

Gayle Higgs

Michelle Harger

The meeting was called to order at 5:30 p.m. by Policy Chair Melissa Calloway. Ms. Gayle Higgs reviewed the following policies:

- **2127 Board Member Technology Use**
 - In subsection C.3.b, adds language prohibiting board members from using school system or individual school names, logos, or trademarks on personal social media.
 - Updates the legal references.
 - Committee reviewed and are not adopting revisions. Policy will remain as is and be marked as reviewed by committee.
- **2400 Board Policies**
 - Annual review.
 - No revisions recommended.
- **2670 Business Advisory Council**
 - Annual review.
 - Discussion was held around whether this policy is needed to direct this particular advisory council Committee moved to rescind policy and allow business advisory council to fall within the by-laws of CTE under direction of the Perkins legislation.
- **2330 Board Meeting Agenda**
 - Annual review.
 - No revisions recommended.
- **3110 Innovation in Curriculum and Instruction**
 - Annual review.
 - No revisions recommended.
- **3530 Citizenship and Character Education**
 - Annual review.
 - No revisions recommended.
 - Discussion surrounding the history of the policy and interpretation of its meaning.
- **3565/8307 Title I Program Comparability of Services**

- Annual review.
 - No revisions recommended.
- **4201/7271 Injury and Loss Prevention**
 - Annual review.
 - No revisions recommended.
- **4124 Transfer of Students to Other School Districts**
 - Annual review.
 - No revisions recommended.
- **6310 Organization of Student Transportation Services**
 - Adds language to comply with State Board of Education requirements.
 - Updates the legal references.
 - Updates the cross references.
- **7910 Retirement**
 - Adds language stating that if an employee's retirement allowance is subject to an adjustment pursuant to the contribution-based benefit cap for retirement, the board will not be responsible for restoring the employee's retirement allowance to the pre-cap amount unless the board has specified in writing in the employee's contract that the board will restore the employee's retirement allowance.
 - Updates the legal references.

The meeting was adjourned at 6:07 p.m. by Policy Committee Chair Melissa Calloway.

Finance Committee

Committee Members Present:

Adam Hurley, Committee Chair
Gidget Kidd, Chair

Ryan Patton
Melissa Calloway, Vice Chair

Baxter Hammer

Other Board Members Present:

Dr. Brad Thomas
Scott Eggleston, Attorney

Mikayla Cassidy

Dr. Beth Knott

Staff Members Present:

Dr. Aaron Woody

Sandra Spivey Ayers

Adam Hurley, Finance Chair, opened the meeting at 6:16 p.m.

Ms. Spivey Ayers provided an update on the 2024-2025 financial audit. Adam Scepurek will be presenting the audit to the Board at the February Board meeting.

Ms. Spivey Ayers gave an overview of the renovation project at South Asheboro Middle School and the addition of a sprinkler system to the scope of work. We are working closely with Bobbitt to manage the budget with this additional scope.

Ms. Spivey Ayers noted that DPI is expected to release the 5 Year Facility Plan this month. This plan along with our internal Capital Projects Plan supports the budget needs in the Capital Outlay Fund. We continue to seek funding for additional building projects.

There being no further business, Adam Hurley adjourned the meeting at 6:26 p.m.

Board of Education

Board Members Present:

Gidget Kidd, Chair	Melissa Calloway, Vice Chair	Ryan Patton
Baxter Hammer	Dr. Beth Knott	Adam Hurley
Mikalya Cassidy	Dr. Brad Thomas	
Scott Eggleston, Attorney		

Board Members Absent:

Hailey Lee

Staff Members Present:

Dr. Aaron Woody	Gayle Higgs	Anthony Woodyard
Dr. Wendy Rich	Dr. Christina Kinley	Sandra Spivey Ayers
Sarah Beth Cox	Melvin Diggs	Angel Etheridge
Michelle Harger	Kelly Patton	Lisa Hayes
Blake Brewer	Nikki Domally	Kristen McClosky
Elizabeth Pack	Laura Holland	Kelly Robbins
Betsy Hammond	Carly Hutton	

Opening

Gidget Kidd, Chair, called the meeting to order at 6:30 p.m. and welcomed all in attendance. Gidget Kidd, Chair, opened the meeting with a moment of silence and then introduced students from Charles W. McCrary to lead the Pledge of Allegiance.

Upon motion by Dr. Brad Thomas and seconded by Melissa Calloway, the Board voted unanimously to approve the meeting agenda.

Special Recognitions

- A. Ms. Chandra Manning, Director of Communications & Talent Development, recognized the following for their National Board Certifications: Ms. Carly Hutton – initial, Ms. Kristen McClosky – initial; Ms. Kelly Robbins – initial; Ms. Betsy Hammond – renewal; Ms. Laura Holland – renewal; and Ms. Elizabeth Pack – renewal.
- B. Dr. Woody recognized the Board in celebration of School Board Appreciation Month. Dr. Woody stated Board of Education members play a critical role in shaping the vision and direction of public education and he expressed appreciation to the Board, on behalf of students, staff, and the community, for their dedication to all students, their service and leadership, and their steadfast commitment to public education.

Superintendent's Report

Dr. Woody shared the following:

- 1) **January 16th End of the First Semester** – Next week ends our first semester across our district. Our secondary students will engage in end of semester exams, and our staff will engage in professional development and semester shift planning on Tuesday, January 20 and 21 and all students will report back to school on Thursday, January 22.
- 2) **Administrative Mid-Year Data Meetings and Reviews** – Our district leadership, including our principals, will participate in mid-year data meetings and mid-year reviews beginning the week of January 19. These are critical moments for discussing progress, reflection, and shifts in programming and adjustments to classroom, school, and district approaches based on data review discussions.
- 3) **Innovation Update** – Dr. Woody asked Dr. Wendy Rich, Chief Academic Officer & Assistant Superintendent to share the many exciting opportunities regarding access and engagement with our Global Innovation Center, including the launch of STEM Clubs, progress with the Toyota Driving Possibilities Grant, and updates to the Global Innovation Center.
- 4) **District Renovation Updates** – Dr. Woody asked Mr. Jody Cox, Director of Facilities & Maintenance, to provide a renovation update on the work taking place across our district in terms of renovations, other facility updates, and planning for the second semester.
- 5) **Strategic Planning Update** – Dr. Woody asked Dr. Wendy Rich, Chief Academic Officer & Assistant Superintendent to share an update about our strategic planning process and some general discussion about how we hope to engage our Asheboro City Schools stakeholders in feedback and planning.

Public Comments

There were no public comments.

Consent Agenda

Upon motion by Ryan Patton and seconded by Mikayla Cassidy, the board approved the following items:

- A. Approval of Minutes for December 11, 2025, Board of Education Meeting
- B. Policies for Approval:
 - Policy 1600 Governing Principle – Professional Development
 - Policy 1740/4010 Student and Parent Grievance Procedure
 - Policy 1750/7220 Grievance Procedures for Employees
 - Policy 2115 Unexpired Term Fulfillment
 - Policy 3400 Evaluation of Student Progress
 - Policy 3460 Graduation Requirements
 - Policy 4050 Children of Military Families
 - Policy 4130 Discretionary School Assignment
 - Policy 4150 School Assignment
- C. Personnel (see below)
- D. Overnight Field Trip-Asheboro High School Chorus to Wingate University, January 2026
- E. Overnight Field Trip-Asheboro High School Chorus to Mars Hill University, February 2026

Asheboro City Schools
Personnel Transactions
January 8, 2026

***B. APPOINTMENTS**

LAST	FIRST	SCHOOL	SUBJECT	EFFECTIVE
Murphy	Sean	AHS	Non-Faculty Coach - Boys Volleyball	01/09/2026

C. TRANSFERS

LAST	FIRST	SCHOOL	SUBJECT	EFFECTIVE
Parson	Krystal	AHS	EC Teacher to Instructional Assistant	12/12/2025

Asheboro City Schools
Personnel Transactions - ADDENDUM
January 8, 2026

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

LAST	FIRST	SCHOOL	SUBJECT	EFFECTIVE
Boling	Scarlett	AHS	Data Manager	03/31/2026
Hall	Jon-Eric	AHS	Mathematics	02/04/2026
Scherer	Katie	NAMS	Science/Social Studies	12/31/2025

Information, Reports, and Recommendations

- A. Policies for Review – Ms. Gayle Higgs, Chief Human Resource & Support Services Officer
 - Policy 2125/7315 Confidential Information
 - Policy 3101 Dual Enrollment
 - Policy 3220 Technology in the Educational Program
 - Policy 3225/4312/7320 Technology Responsible Use
 - Policy 3226/4205 Internet Safety
 - Policy 3227/7322 Web Page Development
 - Policy 4152 Unsafe School Choice Transfer
 - Policy 4240/7312 Child Abuse And Related Threats To Child Safety
 - Policy 4270/6145 Concussion And Head Injury
 - Policy 7425 School Administrator Contracts
- B. Asheboro City Schools Calendar 2027-2028 – Ms. Michelle Harger, Director of Support Services shared the draft of the Asheboro City Schools 2027-2028 Calendar and discussed the state mandated requirements for the calendar. The calendar will be on the Asheboro City Schools website for a 30-day review and to receive feedback from the district and community. Ms. Harger will bring the 2027-2028 calendar before the Board for action at the February 12 board meeting.
- C. Elementary Schools Continuous Improvement Plans (CIP) Update - Ms. Nikki Domally, Principal of Balfour Elementary School and Ms. Kelly Patton, Principal of Charles W. McCrary Elementary School, shared updates on the progress of their Continuous Improvement Plans (CIP). Both shared their progress on their top three goals by sharing data reviews, school celebrations and next steps.

***Action Items**

No Action Items.

Board Operations

Gidget Kidd, Chair, reviewed the following:

- A. Board Committee Assignments 2026**
- B. Board of Education meetings 2025-2026 Updated**
- C. Calendar of Events**
 - The next regularly scheduled board meeting will be on February 12, 2026, in the Professional Development Center, unless otherwise posted. This will include a joint meeting with the Randolph County Commissioners.

Adjournment

There being no further business and upon motion by Dr. Brad Thomas and seconded by Dr. Beth Knott, the Board voted unanimously to adjourn at 8:10 p.m.

Chair

Secretary

Policies
For
Approval

Employees and board members have an absolute duty to maintain the confidentiality of records as required by law. Employees and board members, by the nature of their positions, are exposed to confidential information that should not be repeated or discussed except with those recognized by law as having a right to the information. Any employee or board member who is not sure whether particular information may be protected by state or federal confidentiality laws should seek clarification from his or her immediate supervisor or the assistant superintendent for human resources (for employees) or from the superintendent or board attorney (for board members). When violations occur, appropriate disciplinary action will be taken.

A. PERSONNEL FILES

It is a criminal violation for an employee or board member to do either of the following:

- 1.Ā knowingly, willfully, and with malice permit any unauthorized person to have access to information contained in a personnel file; or
- 2.Ā knowingly and willfully examine, remove, or copy a personnel file that he or she is not specifically authorized to access pursuant to G.S. 115C-321.

B. STUDENT RECORDS

Employees and board members shall safeguard the confidentiality of student records as provided in policy 4700, Student Records.

C. DATA IDENTIFYING A PERSON AS A SUPPORTER OF A NONPROFIT ORGANIZATION

Except as otherwise provided in G.S. 55A-18-05, employees and board members shall not: (1) require any person or nonprofit organization to provide personal information or otherwise compel the release of personal information; (2) release, publicize, or otherwise publicly disclose personal information of others; or (3) request or require a current or prospective contractor to provide a list of nonprofit organizations to which the current or prospective contractor has provided financial or nonfinancial support. For purposes of this section only, “personal information” is defined as any list, record, register, registry, roll, roster, or other compilation of data of any kind that directly or indirectly identifies a person as a member, supporter, volunteer, or donor of financial or nonfinancial support to any nonprofit organization. The terms “supporter” and “volunteer” do not include the nonprofit organization’s governing board members, officers, directors, or staff.

D. HANDLING AND TRANSMITTING CONFIDENTIAL INFORMATION

The superintendent or designee is directed to establish and enforce processes and protocols for the secure handling and electronic transmission of personally identifiable information of students and employees and any other information protected by state or federal

confidentiality laws.

Legal References: Family Educational Rights and Privacy Act, 20 U.S.C. 1232g; G.S. 55A art. 18; 115C-47(18), -321, -402

Cross References: Communicable Diseases – Students (policy 4230), Student Records (policy 4700), Confidentiality of Personal Identifying Information (policy 4705/7825), Public Records – Retention, Release, and Disposition (policy 5070/7350), Personnel Files (policy 7820)

Other Resources: *Transmitting Private Information Electronically: Best Practices Guide for Communicating Personally Identifiable Information by E-mail, Fax, or Other Electronic Means*, available at <https://www.dpi.nc.gov/best-practices-guide-pii-and-email/download?attachment>

Adopted: May 14, 1998 to become effective July 1, 1998

Revised: May 11, 2006, March 11, 2016, January 13, 2022

In its effort to provide a rigorous expanded curriculum that will adequately prepare students for future educational and workplace endeavors, the board will support high school students who also wish to enroll in classes taught by a college, university, community college, or other approved entity in accordance with the requirements of this policy, state law, and State Board of Education policy.

A. CAREER AND COLLEGE PROMISE

The Career and College Promise program is designed to offer qualified high school students structured dual enrollment opportunities that provide both entry-level job skills as well as pathways leading to a certificate, diploma, or degree.

The board, in collaboration with local community colleges, may provide for dual enrollment of a qualified high school student in community college courses through (1) a Career and Technical Education Pathway leading to a job credential, certificate, or diploma aligned with one or more high school Career Clusters, (2) a College Transfer Pathway leading to college transfer credits, (3) a Career and College Ready Pathway providing opportunities for college remediation, or (4) a non-credit/non-degree credential.

The board may also partner with institutions of higher education to establish cooperative innovative high school programs that enable a student to concurrently obtain a high school diploma and (1) begin or complete an associate degree program, (2) master a certificate or vocational program, or (3) earn up to two years of college credit within five years. Students are eligible for these programs beginning in ninth grade.

The board will implement the Career and College Promise program in accordance with a Career and College Promise Partnership Agreement developed as required by State Board of Education Policy CACP-000 and revised annually. The superintendent shall develop any necessary procedures consistent with the partnership agreement, this policy, state law, and State Board policies.

B. OTHER COLLEGE COURSES

The superintendent shall develop procedures and requirements for awarding high school credit toward graduation upon request to students who self-enroll in courses taught by a college, university, community college, or other approved entity. Credit toward graduation will be granted only for courses that are consistent with the policies and standards of the school system and State Board requirements, including the requirements of State Board of Education Policy CCRE-001, which defines "Course for Credit."

The principal must approve the course in advance. Prior to granting approval, the principal shall determine whether the course is eligible for credit toward graduation in accordance with the procedures and requirements developed by the superintendent.

The parent or guardian of the student must give permission for the student to take the course, and the student must complete any forms required by the school system.

Enrollment of a student in a course is the responsibility of the student and the student's parent or guardian. Unless otherwise provided, all special fees and charges and any special transportation needs are the responsibility of the student and the student's parent or guardian.

For a student to receive credit toward high school graduation, the school at which the course is offered must provide such essential information as is generally included in official transcripts of school records. This information must include:

- (1) a description of the content and subject matter covered by the course;
- (2) the number of clock hours of instruction in the course; and
- (3) the student's achievement or performance level in the course.

In addition, a syllabus that includes course goals, course objectives, course activities, and grade requirements must be provided.

The student also must meet any other requirements established by the superintendent.

Legal References: G.S. 115C art. 16 pt. 9; 115C-36, -47; 115D-30.1, 30.10, 39.5(a); State Board of Education Policies CACP-000, CACP-001, CCRE-001, GRAD-004

Cross References: Curriculum Development (policy 3100)

Adopted: March 8, 2012

Revised: August 10, 2017, July 11, 2019, July 13, 2023

In alliance with the North Carolina Digital Learning Plan, the board is committed to establishing and supporting effective digital teaching and learning practices supported by contemporary information and communications technology systems to foster globally competitive students prepared for modern life. The board recognizes the benefits of digital and technology-enabled and -enhanced teaching and learning resources that provide the ability to make data more accessible, personalize learning, easily customize curriculum, provide access to current information, and enable access to quality materials at a lower cost than traditional materials. To that end, the board supports classroom digital and technology-enabled and -enhanced teaching and learning resources that are aligned with the current statewide instructional standards. In addition, to the extent funding permits, the board will endeavor to ensure that all students have access to personal digital and technology-enabled teaching and learning devices to foster the skills necessary for future-ready learners. The superintendent may establish relationships with businesses and seek grants and other funding sources in an effort to acquire additional technological resources for the educational program and to support continuous out-of-school Internet access for students.

A. INTEGRATION OF TECHNOLOGY INTO THE CURRICULUM

The board expects that information and communications technologies will be integrated seamlessly across the curriculum and used to support student achievement and to prepare students to be successful in college, in careers, and as globally engaged, productive citizens. The curriculum committee should provide suggestions in the curriculum guides referenced in policy 3115, Curriculum and Instructional Guides, for integrating technological resources (as defined in Section A below) into the educational program. School administrators and teachers are encouraged to develop additional strategies for integrating technological resources across the curriculum and utilizing the power of technology to personalize learning and improve learning outcomes while making more efficient use of resources. The strategies should be included in the school improvement plan if they require the transfer of funds or otherwise relate to any components of the school improvement plan.

The superintendent shall oversee development of the school system's digital teaching and learning vision as part of the school system's strategic plan and a yearly action plan that aligns to the vision. The development and ongoing review of the vision and the action plan will include various stakeholders such as curriculum leaders, teachers, administrators, students, parents, and representatives from technology services, instructional technology, finance, and other departments as required. The action plan will include adequate data privacy protections to secure student data and will take into account the level of out-of-school Internet access for students.

B. SELECTION OF TECHNOLOGICAL RESOURCES

Technological resources are information and communications technologies including, but

not limited to, the following: (1) hardware, including both fixed and mobile technologies and devices such as desktop computers, laptops, netbooks, tablets, e-readers, smartphones, and gaming devices; (2) software, including cloud-based and web-based applications, programs, and platforms; (3) network and telecommunications systems and services; (4) Internet access; (5) multimedia equipped classrooms; (6) computer classrooms and laboratories; and (7) other existing or emerging mobile communications systems.

All technological resources must be purchased and used in a manner consistent with applicable law and board policy, including laws and policies related to copyright, public records, bidding, and other purchase requirements, accessibility for students with disabilities, staff duties, and standards for student behavior. Before acquiring a technological resource, school system officials must evaluate the costs, flexibility, and life cycle associated with the resource using any State Board of Education rules adopted in accordance with G.S. 115C-102.10.

Technological resources also must meet or exceed the following standards before they may be considered for implementation.

- 1.Ā Technological resources must support the current statewide instructional standards or the programs of the school system.
- 2.Ā Technological resources must support the current use of learning and instructional management technologies in the school.
- 3.Ā Technological resources must be compatible with the condition of the network and other infrastructure resources. The technology director shall set minimum standards for technological resources that are purchased or donated. Upgrading, hardware conditions, and similar requirements must be maintained to the highest standards.
- 4.Ā There must be sufficient staff to operate and maintain the technological equipment, programs, and systems.
- 5.Ā There must be adequate funds budgeted to implement and support the technological resources and to train instructional staff to use the resources to improve educational outcomes.

Procurement of technological resources should be done in collaboration with teachers and technical support staff, as appropriate. Whenever possible, a pilot period to test the resource should occur prior to full purchase.

C. DEPLOYMENT OF TECHNOLOGY TO SCHOOLS

The superintendent shall oversee the development of the school system's technology deployment and refresh plan. The plan will be designed to ensure organized, effective, efficient, and sustainable means of deploying and maintaining technology resources and

will establish appropriate refresh/replacement cycles. The superintendent shall develop procedures that outline the strategy of the technology deployment and refresh plan.

D. BRING YOUR OWN TECHNOLOGY (BYOT) INITIATIVE

The superintendent is authorized to investigate and develop a plan to allow staff and students the option to use their personal electronic devices in place of or along with their school system assigned devices. The plan should address, at a minimum, the instructional use of personal devices, compatibility requirements, access limitations or requirements, content filtering, security, and other issues as recommended by the technology director. The plan should assign personal responsibility to the user for repair and replacement of damaged or stolen devices and for any data or other charges arising from use of a personal device. The plan should require a written agreement for the use of personal technology devices from each student and staff member who wishes to participate in the BYOT initiative. The plan should ensure that students who are unable to bring in outside technology will be able to access and utilize school equipment so that no student is excluded from instruction due to lack of access to technology.

E. ELECTRONIC COMMUNICATION AND OTHER COLLABORATIVE TOOLS

The superintendent is authorized to permit instructional personnel to incorporate email, social networking sites, blogs, wikis, video sharing sites, podcasts, video conferencing, online collaborations, instant messaging, texting, virtual learning environments, and/or other forms of direct electronic communications or Web 2.0 applications for educational purposes to the extent the superintendent deems appropriate and in accordance with policy 7335, Employee Use of Social Media. The superintendent shall establish parameters and rules for use of these tools and shall require instruction for students in how to use such tools in a safe, effective, and appropriate way. Instructional personnel shall make all reasonable attempts to monitor student online activity and shall otherwise comply with the requirements of policy 3225/4312/7320, Technology Responsible Use, when using these tools.

F. GENERATIVE ARTIFICIAL INTELLIGENCE (AI)

Generative artificial intelligence (AI) is an artificial intelligence tool that responds to a user's input or prompt by generating new text, images, audio, video, or content based on what it learned in its training data set. The board encourages the use of generative AI by school system employees and students to expand their skills and capabilities and to prepare students for a future AI-enhanced world. The superintendent or designee shall develop and maintain guidelines that detail the acceptable and responsible use of generative AI by school system employees and students. See also policy 3225/4312/7320, Technology Responsible Use.

G. TECHNOLOGY-RELATED PROFESSIONAL DEVELOPMENT

The superintendent shall plan a program of professional development for digital teaching

and learning that prepares administrators, teachers, coaches, school library media coordinators, and technical support staff to utilize digital tools and resources in accordance with the N.C. Digital Learning Competencies for Teachers and Administrators. Professional development shall emphasize technology integration and continuous improvement, including the use of ongoing technology-integrated online-learning activities throughout the course of study and the provision of personalized learning. Professional development shall also address the ethical, legal, and practical issues related to social networking and mobile devices in the classroom and other topics deemed necessary by the superintendent or technology director. In addition, professional development shall involve training on generative AI, including its impact, effective use, capabilities, limitations, concerns, and responsible use. Staff will be trained both to use generative AI professionally and to guide students to effectively and ethically use generative AI as a learning partner. To the extent possible, job-specific professional development opportunities should be made available, as well as professional development that is personalized to meet the needs of individual staff.

School improvement teams should identify any staff development appropriations for technology-related professional development in their school improvement plans. The superintendent and technology director should assist schools in coordinating staff development needs as provided in policy 1610/7800, Professional and Staff Development.

Legal References: G.S. 115C-47(70), -102.10, -522, -528; 143B-1341; State Board of Education Policy SBOP-018

Cross References: Professional and Staff Development (policy 1610/7800), Curriculum and Instructional Guides (policy 3115), Technology Responsible Use (policy 3225/4312/7320), Internet Safety (policy 3226/4205), Copyright Compliance (policy 3230/7330), School Improvement Plan (policy 3430), Integrity and Civility (policy 4310), Public Records – Retention, Release, and Disposition (policy 5070/7350), Network Security (policy 6524), Staff Responsibilities (policy 7300), Employee Use of Social Media (policy 7335), Gifts and Bequests (policy 8220)

Other Resources: North Carolina Digital Teaching and Learning Competencies for Teachers and Administrators, available at <https://www.dpi.nc.gov/districts-schools/districts-schools-support/digital-teaching-and-learning/digital-teaching-learning-standards#digital-learning-competencies-for-educators>; The North Carolina Digital Learning Plan (2022), available at <https://www.dpi.nc.gov/districts-schools/districts-schools-support/digital-teaching-and-learning/digital-learning-initiative#:~:text=The%20North%20Carolina%20Digital%20Learning%20Plan%20describes%20the,Learning%20Initiative.%202022%20North%20Carolina%20Digital%20Learning%20Plan>; North Carolina Generative AI Implementation Recommendations and Considerations for PK-13 Public Schools, available at https://go.ncdpi.gov/AI_Guidelines

Adopted: June 1997

Revised: July 15, 2005; January 20, 2009; June 30, 2009; December 1, 2009; August 29, 2012,

November 21, 2013, February 12, 2015, July 9, 2015, March 8, 2018, February 9, 2023, December 12, 2024

The board provides its students and staff access to a variety of technological resources. These resources provide opportunities to enhance learning, appeal to different learning styles, improve communication within the school community and with the larger global community, and achieve the educational goals established by the board. Through the school system's technological resources, users can observe events as they occur around the world, interact with others on a variety of subjects, and acquire access to current and in-depth information.

The board intends that students and employees benefit from these resources while remaining within the bounds of safe, legal, and responsible use. Accordingly, the board establishes this policy to govern student and employee use of any technological resources owned, leased, maintained, or otherwise controlled by the school system. This policy applies regardless of whether such use occurs on or off school system property, and it applies to all school system technological resources, including but not limited to computer networks and connections, the resources, tools, and learning environments made available by or on the networks, and all devices that connect to those networks.

A. EXPECTATIONS FOR USE OF SCHOOL TECHNOLOGICAL RESOURCES

The use of school system technological resources, including access to the Internet, is expected to be exercised in an appropriate and responsible manner. Individual users of the school system's technological resources are responsible for their behavior and communications when using those resources. Responsible use of school system technological resources is use that is ethical, respectful, academically honest, and supportive of student learning. Each user has the responsibility to respect others in the school community and on the Internet. Users are expected to abide by the generally accepted rules of network etiquette.

General student and employee behavior standards, including those prescribed in applicable board policies, the Code of Student Conduct, and other regulations and school rules, apply to use of school technological resources, including access to the Internet.

In addition, anyone who uses school system computers or electronic devices, accesses the school's electronic storage or network, or connects to the Internet using school system-provided access must comply with the additional rules for responsible use listed in Section B, below. These rules are intended to clarify expectations for conduct but should not be construed as all-inclusive.

All students must be trained about appropriate online behavior as provided in policy 3226/4205, Internet Safety.

Failure to adhere to the requirements of this policy will result in disciplinary action, including revocation of user privileges. Willful misuse may result in criminal prosecution under applicable state and federal law, disciplinary action for students, and/or adverse personnel action for employees.

B. RULES FOR USE OF SCHOOL TECHNOLOGICAL RESOURCES

1.Á School system technological resources are provided for school-related purposes only. Acceptable uses of such technological resources are limited to responsible, efficient, and legal activities that support learning and teaching. Use of school system technological resources for commercial gain or profit is prohibited.

Student personal use of school system technological resources for amusement or entertainment is prohibited unless approved for special situations by the teacher or school administrator. In addition, student access to social media platforms is prohibited, except when expressly directed by a teacher solely for educational purposes.

Because some incidental and occasional personal use by employees is inevitable, the board permits infrequent and brief personal use by employees so long as it occurs on personal time, does not interfere with school system business, and is not otherwise prohibited by board policy or procedure.

School system Wi-Fi hotspots and/or services may be used off school system property only by students and school staff members who need them. Such use must be primarily for activities that are integral, immediate, and proximate to the education of students.

2.Á Unless authorized by law to do so, users may not make copies of software purchased by the school system. Under no circumstance may software purchased by the school system be copied for personal use.

3.Á Users must comply with all applicable laws, board policies, administrative regulations, and school standards and rules, including those relating to copyrights and trademarks, confidential information, and public records. Plagiarism of Internet resources will be treated in the same manner as any other incidents of plagiarism, as stated in the Code of Student Conduct.

4.Á Users must follow any software, application, or subscription services terms and conditions of use.

5.Á No user of technological resources, including a person sending or receiving electronic communications, may engage in creating, intentionally viewing, accessing, downloading, storing, printing, or transmitting images, graphics (including still or moving pictures), sound files, text files, documents, messages, or other material that is obscene, defamatory, profane, pornographic, harassing, abusive, or considered to be harmful to minors.

6.Á Users must not circumvent fire walls. The use of anonymous proxies to circumvent

content filtering is prohibited.

- 7.Á Users may not install or use any Internet-based file sharing program designed to facilitate sharing of copyrighted material.
- 8.Á Users of technological resources may not send electronic communications fraudulently (i.e., by misrepresenting the identity of the sender).
- 9.Á Users must respect the privacy of others.
 - a.Á Students must not reveal any personally identifying, private, or confidential information about themselves or fellow students when using email, chat rooms, blogs, or other forms of electronic communication. Such information includes, for example, a person's home address or telephone number, credit or checking account information, or social security number. For further information regarding what constitutes personal identifying information, see policy 4705/7825, Confidentiality of Personal Identifying Information.
 - b.Á School employees must not disclose on school system websites or web pages or elsewhere on the Internet any personally identifiable, private, or confidential information concerning students (including names, addresses, or pictures) without the written permission of a parent or guardian or an eligible student, except as otherwise permitted by the Family Educational Rights and Privacy Act (FERPA) or policy 4700, Student Records.
 - c.Á Users may not forward or post personal communications without the author's prior consent.
 - d.Á Students may not use school system technological resources to capture audio, video, or still pictures of other students and/or employees in which such individuals can be personally identified, nor share such media in any way, without consent of the students and/or employees and the principal or designee. An exception will be made for settings where students and staff cannot be identified beyond the context of a sports performance or other public event or when otherwise approved by the principal.
- 10.Á Users may not intentionally or negligently damage computers, computer systems, electronic devices, software, computer networks, or data of any user connected to school system technological resources. Users may not knowingly or negligently transmit computer viruses or self-replicating messages or deliberately try to degrade or disrupt system performance, including by streaming audio or video for non-instructional purposes. Users may not disable antivirus programs installed on school system-owned or issued devices.
- 11.Á Users may not create or introduce games, network communications programs, or

any foreign program or software onto any school system computer, electronic device, or network without the express permission of the technology director or designee.

- 12.Á Users are prohibited from engaging in unauthorized or unlawful activities, such as “hacking” or using the computer network to gain or attempt to gain unauthorized or unlawful access to other computers, computer systems, accounts, data, or information.
- 13.Á Users are prohibited from using another individual’s ID or password for any technological resource or account without permission from the individual. Sharing of an individual’s ID or password is strongly discouraged. If an ID or password must be shared for a unique classroom situation, students must have permission from the teacher or other school official.
- 14.Á Users may not read, alter, change, block, execute, or delete files or communications belonging to another user without the owner’s express prior permission.
- 15.Á Employees shall not use passwords or user IDs for any data system (e.g., the state student information and instructional improvement system applications, time-keeping software, etc.) for an unauthorized or improper purpose.
- 16.Á If a user identifies or encounters an instance of unauthorized access or another security concern, he or she must immediately notify a teacher, school system administrator, or the technology director or designee. Users must not share the problem with other users. Any user identified as a security risk will be denied access.
- 17.Á It is the user’s responsibility to back up data and other important files.
- 18.Á Employees shall make reasonable efforts to supervise students’ use of the Internet during instructional time.
- 19.Á Views may be expressed on the Internet or other technological resources as representing the view of the school system or part of the school system only with prior approval by the superintendent or designee.
- 20.Á Users who are issued school system-owned and -maintained devices for home use (such as laptops, Chromebooks, etc.) must adhere to any other reasonable rules or guidelines issued by the superintendent or technology director for the use of such devices.

Exceptions to these rules may be made for employees whose activities are necessary to carry out their job responsibilities and are authorized by law.

C. RESTRICTED MATERIAL ON THE INTERNET

The Internet and electronic communications offer fluid environments in which students may access or be exposed to materials and information from diverse and rapidly changing sources, including some that may be harmful to students. The board recognizes that it is impossible to predict with certainty what information on the Internet students may access or obtain. Nevertheless, school system personnel shall take reasonable precautions to prevent students from accessing material and information that is obscene, pornographic, or otherwise age-inappropriate or harmful to minors, including violence, nudity, or graphic language that does not serve a legitimate pedagogical purpose as well as websites, web applications, or software that do not protect against the disclosure, use, or dissemination of a student's personal information. The superintendent shall ensure that technology protection measures are used as provided in policy 3226/4205, Internet Safety, and are disabled or minimized only when permitted by law and board policy. The board is not responsible for the content accessed by using a cellular network to connect a personal device to the Internet.

D. PRIVACY

Students, employees, visitors, and other users have no expectation of privacy in anything they create, store, send, delete, receive, or display when using the school system's network, devices, Internet access, email system, or other technological resources owned or issued by the school system, whether the resources are used at school or elsewhere, and even if the use is for personal purposes. Users should not assume that files or communications created, transmitted, or displayed using school system technological resources or stored on servers, the storage mediums of individual devices, or on school managed cloud services will be private. Under certain circumstances, school officials may be required to disclose such electronic information to law enforcement or other third parties, for example, as a response to a document production request in a lawsuit against the board, in response to a public records request, or as evidence of illegal activity in a criminal investigation.

The school system may, without notice, (1) monitor, track, and/or log network access, communications, and use; (2) monitor and allocate fileserver space; and (3) access, review, copy, store, delete, or disclose the content of all user files, regardless of medium, the content of electronic mailboxes issued by the school system, and system outputs, such as printouts, at any time for any lawful purpose. Such purposes may include, but are not limited to, maintaining system integrity, security, or functionality, ensuring compliance with board policy and applicable laws and regulations, protecting the school system from liability, and complying with public records requests. School system personnel shall monitor online activities of individuals who access the Internet via a school-owned device.

By using the school system's network, Internet access, electronic devices, email system, devices, or other technological resources, individuals consent to have that use monitored by authorized school system personnel as described in this policy.

E. USE OF PERSONAL TECHNOLOGY ON SCHOOL SYSTEM PROPERTY

Users may not use private WiFi hotspots or other personal technology on campus to access the Internet outside the school system's wireless network. Each principal may establish rules for his or her school site as to whether and how other personal technology devices (including, but not limited to smart phones, tablets, laptops, etc.) may be used on campus. Students' devices are governed also by policy 4318, Use of Wireless Communication Devices. Use of personal technology devices is also subject to any rules established by the superintendent under a bring your own device plan authorized by Section C of policy 3220, Technology in the Educational Program, and for employees, policy 3228/7323, Use of Personal Technology to Conduct School Business. The school system assumes no responsibility for personal technology devices brought to school.

F. PERSONAL WEBSITES

The superintendent may use any means available to request the removal of personal websites that substantially disrupt the school environment or that utilize school system or individual school names, logos, or trademarks without permission.

1. A Students

Though school personnel generally do not monitor students' Internet activity conducted on non-school system devices during non-school hours, when the student's online behavior has a direct and immediate effect on school safety or maintaining order and discipline in the schools, the student may be disciplined in accordance with board policy to the extent consistent with law (see the student behavior policies in the 4300 series).

2. A Employees

Employees' personal websites are subject to policy 7335, Employee Use of Social Media. Employees may not use their personal websites to communicate with students, as prohibited by policy 7335 and policy 4040/7310, Staff-Student Relations.

3. A Volunteers

Volunteers are to maintain appropriate relationships with students at all times. Volunteers are encouraged to block students from viewing personal information on volunteer personal websites or online networking profiles in order to prevent the possibility that students could view materials that are not age appropriate. An individual volunteer's relationship with the school system may be terminated if the volunteer engages in inappropriate online interaction with students.

G. USE AGREEMENTS

All students, parents, and employees will be informed annually of the information in this

policy and in any applicable generative artificial intelligence (AI) guidelines developed in accordance with policy 3220, Technology in the Educational Program. Prior to using school system technological resources, students and employees must agree to comply with the requirements of this policy and the generative AI guidelines and consent to the school system's use of monitoring systems to monitor and detect inappropriate use of technological resources. In addition, the student's parent must consent to the student accessing the Internet and to the school system monitoring the student's Internet activity and electronic mailbox issued by the school system and must sign a copy of the generative AI guidelines.

H. CONSEQUENCES

Based on the nature and severity of the offense and the circumstances surrounding the incident, violations of this policy will result in appropriate remedial actions or discipline up to and including long-term suspension for students and dismissal for employees and may result in revocation of user privileges. Willful misuse may also result in criminal prosecution under applicable state and federal law.

Legal References: U.S. Const. amend. I; Children's Internet Protection Act, 47 U.S.C. 254(h)(5), 47 C.F.R. 54.516; Electronic Communications Privacy Act, 18 U.S.C. 2510-2522; Family Educational Rights and Privacy Act, 20 U.S.C. 1232g; 17 U.S.C. 101 *et seq.*; 20 U.S.C. 7131; G.S. 115C-47(70), -102.10, -325(e) (applicable to career status teachers), -325.4 (applicable to non-career status teachers); 143-805

Cross References: Curriculum and Instructional Guides (policy 3115), Technology in the Educational Program (policy 3220), Internet Safety (policy 3226/4205), Web Page Development (policy 3227/7322), Use of Personal Technology to Conduct School Business (policy 3228/7323), Copyright Compliance (policy 3230/7330), Student Behavior Policies (all policies in the 4300 series), Student Records (policy 4700), Confidentiality of Personal Identifying Information (policy 4705/7825), Public Records – Retention, Release, and Disposition (policy 5070/7350), Use of Equipment, Materials, and Supplies (policy 6520), Network Security (policy 6524), Staff Responsibilities (policy 7300), Employee Use of Social Media (policy 7335)

Other Resources: North Carolina Generative AI Implementation Recommendations and Considerations for PK-13 Public Schools, available at https://go.ncdpi.gov/AI_Guidelines

Adopted: July 15, 2005

Revised: January 20, 2009, August 29, 2012, November 21, 2013, March 12, 2015, February 9, 2017, March 10, 2022, December 12, 2024, September 11, 2025

A. INTRODUCTION

It is the policy of the board to: (a) prevent user access via its technological resources to, or transmission of, inappropriate material on the Internet or through electronic mail or other forms of direct electronic communications; (b) prevent unauthorized access to the Internet and devices or programs connected to or accessible through the Internet; (c) prevent other unlawful online activity; (d) prevent unauthorized online disclosure, use, or dissemination of personal identification information of minors; and (e) comply with the Children's Internet Protection Act.

B. DEFINITIONS**1.Á Technology Protection Measure**

The term "technology protection measure" means a specific technology that blocks or filters Internet access to visual depictions that are obscene, child pornography, or harmful to minors.

2.Á Harmful to Minors

The term "harmful to minors" means any picture, image, graphic image file, or other visual depiction that:

a.Á taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion;

b.Á depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and

c.Á taken as a whole, lacks serious literary, artistic, political, or scientific value as to minors.

3.Á Child Pornography

The term "child pornography" means any visual depiction, including any photograph, film, video picture, or computer or computer-generated image or picture, whether made or produced by electronic, mechanical, or other means, of sexually explicit conduct, where:

a.Á the production of such visual depiction involves the use of a minor engaging in sexually explicit conduct;

- b. such visual depiction is a digital image, computer image, or computer-generated image that is, or is indistinguishable from, that of a minor engaging in sexually explicit conduct; or
- c. such visual depiction has been created, adapted, or modified to appear that an identifiable minor is engaging in sexually explicit conduct.

4. Sexual Act; Sexual Contact

The terms “sexual act” and “sexual contact” have the meanings given such terms in section 2246 of title 18, United States Code.

5. Minor

For purposes of this policy, the term “minor” means any individual who has not attained the age of 17 years.

C. ACCESS TO INAPPROPRIATE MATERIAL

To the extent practical, technology protection measures (or “Internet filters”) will be used to block or filter access to inappropriate information on the Internet and World Wide Web. Specifically, blocking will be applied to audio and visual depictions deemed obscene or to be child pornography or harmful to minors as well as to websites or web applications that do not protect against the disclosure, use, or dissemination of students’ personal information. Student access to other materials that are inappropriate to minors will also be restricted. The board has determined that audio or visual materials that depict violence, nudity, or graphic language that does not serve a legitimate pedagogical purpose are inappropriate for minors. The superintendent, in conjunction with a school media and technology advisory committee (see policy 3200, Selection of Instructional Materials), shall make a determination regarding what other matter or materials are inappropriate for minors. School system personnel may not restrict Internet access to ideas, perspectives, or viewpoints if the restriction is motivated solely by disapproval of the viewpoints involved.

A student or employee must immediately notify the appropriate school official if the student or employee believes that a website or web content that is available to students through the school system’s Internet access is obscene, constitutes child pornography, is “harmful to minors” as defined by CIPA, or is otherwise inappropriate for students. Students must notify a teacher or the school principal; employees must notify the superintendent or designee.

Due to the dynamic nature of the Internet, sometimes Internet websites and web material that should not be restricted are blocked by the Internet filter. A student or employee who believes that a website or web content has been improperly blocked by the school system’s filter should bring the website to the attention of the principal. The principal shall confer with the technology director to determine whether the site or content should be unblocked.

The principal shall notify the student or teacher promptly of the decision. The decision may be appealed through the school system's grievance procedure. (See policies 1740/4010, Student and Parent Grievance Procedure, and 1750/7220, Grievance Procedure for Employees.)

Subject to staff supervision, technology protection measures may be disabled during use by an adult for bona fide research or other lawful purposes.

D. INAPPROPRIATE NETWORK USAGE

All users of school system technological resources are expected to comply with the requirements established in policy 3225/4312/7320, Technology Responsible Use. In particular, users are prohibited from: (a) attempting to gain unauthorized access, including "hacking" and engaging in other similar unlawful activities; and (b) engaging in the unauthorized disclosure, use, or dissemination of personal identifying information regarding minors.

E. EDUCATION, SUPERVISION, AND MONITORING

To the extent practical, steps will be taken to protect the safety and security of users of the school system's online computer network, especially when they are using electronic mail, chat rooms, instant messaging, and other forms of direct electronic communications. It is the responsibility of all school personnel to educate, supervise, and monitor usage of the online computer network and access to the Internet in accordance with this policy, the Children's Internet Protection Act, the Neighborhood Children's Internet Protection Act, and the Protecting Children in the 21st Century Act.

Procedures for the disabling or otherwise modifying any technology protection measures are the responsibility of the technology director or designated representatives.

The technology director or designated representatives shall provide age-appropriate training for students who use the school system's Internet services. The training provided will be designed to promote the school system's commitment to educating students in digital literacy and citizenship, including:

- 1.Á the standards and acceptable use of Internet services as set forth in policy 3225/4312/7320, Technology Responsible Use;
- 2.Á student safety with regard to safety on the Internet, appropriate behavior while online, including behavior on social networking websites and in chat rooms, and cyberbullying awareness and response; and
- 3.Á compliance with the E-rate requirements of the Children's Internet Protection Act.

Following receipt of this training, the student must acknowledge that he or she received the training, understood it, and will follow the provisions of policy 3225/4312/7320, Technology Responsible Use.

The superintendent shall develop any regulations needed to implement this policy and shall submit any certifications necessary to demonstrate compliance with this policy.

Legal References: Children's Internet Protection Act, 47 U.S.C. 254(h); Neighborhood Children's Internet Protection Act, 47 U.S.C. 254(l); Protecting Children in the 21st Century Act, 47, U.S.C. 254(h); G.S. 115C-47(70); -102.10

Cross References: Professional and Staff Development (policy 1610/7800), Student and Parent Grievance Procedure (policy 1740/4010), Grievance Procedure for Employees (policy 1750/7220), Technology in the Educational Program (policy 3220), Technology Responsible Use (policy 3225/4312/7320), School Improvement Plan (policy 3430), Use of Equipment, Materials, and Supplies (policy 6520), Network Security (policy 6524)

Adopted: December 12, 2013

Revised: March 12, 2015

Reviewed by the Policy Committee: July 10, 2025

Consistent with policy 3225/4312/7320, Technology Responsible Use, and in an effort to further the school system's objectives, the board of education encourages the use of the Internet as a means of providing accessible, accurate, and timely information for employees, students, parents, and others in the larger community. The Internet affords the school system the opportunity to communicate with its communities by posting pertinent system and school information online. The school system has established its system website online at www.asheboro.k12.nc.us. The school system website is the official website of the school system. In addition to this website, individual schools and departments may create system-related school websites. This policy provides the standards that must be followed for development of all system-related websites. Failure to comply with this policy may result in the removal of a web page or website from the Internet.

A. SYSTEM-RELATED WEBSITE

A "system-related website" is any Internet website that is established in one of the following ways:

- 1.Á by school system employees or students on behalf of the system;
- 2.Á by any school within the system;
- 3.Á by any school-sponsored club or organization within the system; or
- 4.Á by students as part of an educational assignment.

Only those websites that are created pursuant to this policy are considered system-related websites. The board does not endorse and is not responsible for websites created by employees, students, or others outside of the standards and guidelines of this policy. Students or employees who create personal websites that result in a substantial and material disruption to the school environment may be subject to disciplinary action.

B. STANDARDS FOR WEB PAGE DEVELOPMENT

- 1.Á Non-Public or Closed Forums for Expression

All system-related websites are "non-public" or "closed" forums for expression. This means that the system has control over information on such websites and is not required to allow students, teachers, or others to place material on system-related websites. The purpose of system-related websites is to disseminate curriculum-related information; to present the public with information about the system, its schools, and its programs; and to provide the community with each school or department's mission, contact information, activities, organizational format, and instructional program. System-related websites are analogous to

newsletters from the administration or the individual school. System-related websites are not analogous to a student newspaper or a non-school publication.

2.À Administration and Editorial Control

All employees responsible for creating, developing, maintaining, editing, or approving a system-related website shall act legally, responsibly, and ethically in providing educational resources and information to support the mission and curriculum of the school system. Such persons shall abide by the generally accepted rules of website etiquette, board policy, and regulations established by the superintendent.

a.À Superintendent Final Authority

The superintendent or designee may delegate authority to place information on a system-related website; however, the superintendent has the final authority to approve or disapprove any information in whatever form on any such system-related websites.

b.À School System Official Website

The superintendent or designee has editorial control and responsibility for the content of the school system official website. The superintendent shall appoint a staff member to serve as the web manager/editor of the system website.

c.À Individual School Websites

Each school will be provided with a web address, web design software, and disk space on the system server. All system-related websites will be housed on the system web server. Each principal has editorial control and responsibility for the content of his or her individual school's official website, subject to review of the superintendent or designee. The principal may appoint a staff member to serve as the web manager of the school's website and a website committee to advise the web manager and principal regarding the content of the school's website. Individual school websites must comply with the additional guidelines provided below.

d.À Teacher and Student Websites

Each teacher has editorial control over and responsibility for the content of his or her official website and for the content of his or her students' authorized websites, subject to review by the principal, the superintendent, and the board. With the knowledge and written consent of a student's parent or guardian, a teacher may allow a student to create a website within or linked from a school's or teacher's website only for the following

instructional purposes: (1) to teach a student how to create or maintain a website or (2) to facilitate a student's work on school assignments or research projects. No student pages may be posted or made accessible to the general public until approved by the principal or designee.

e.Á Personal Websites

The school system is not responsible for personal websites or web pages created or maintained by members of the board of education, students, employees, parents, groups, or organizations. Personal websites or web pages are not considered system-related websites or web pages and are not covered by the provisions of this policy. (For further information regarding personal websites, see policy 7335, Employee Use of Social Media, and policy 3225/4312/7320, Technology Responsible Use.)

The superintendent may use any means available to request the removal of personal websites or web pages that substantially disrupt the school environment or that utilize school system or individual school names, logos, or trademarks without permission.

3.Á Website Appearance and Evaluation

Web page content must be kept current and be maintained regularly. All system-related websites must include the name of the web page author, the date produced or revised, and the e-mail address of the author. The superintendent or designee (for the official system website) or the principal or designee (for individual school websites) must regularly review, proof, and evaluate all system-related websites.

4.Á Copyright Laws

No information or graphics may be posted on websites in violation of any copyright laws or policy 3230/7330, Copyright Compliance. Copyright permission must be obtained for the use of any copyrighted material unless use is permitted as "fair use" under federal law. The superintendent or designee and each principal or designee is responsible for maintaining copies of permission granted for the use of copyrighted material.

5.Á Links

a.Á Internal Links

Each page of a system-related website must include a reference and hyperlink to the school system official website home page. In addition, all system-related websites must include a link to this policy and to policy 3225/4312/7320, Technology Responsible Use.

b.À External Links

The superintendent and designee have editorial control over and responsibility for the linking of a system-related website to other sites on the Internet that are appropriate to the mission of the school system. Links to external sites (including externally hosted teacher classroom sites) must be approved by the principal. If required, web managers must obtain permission from external websites before links are established from any system-related website to external websites. To the extent possible, school personnel shall determine the extent to which a secondary site is linked to other sites on the Internet and whether such sites are appropriate for access through the school system websites. Web managers shall periodically check external links for accuracy and appropriateness of content. School employees must report any inappropriate links to the web manager.

Since the school system cannot control the content of other sites on the Internet and their linkages, the following disclaimer statement must be inserted in a prominent position on the official system website, on each school's web page and on other system-related websites that contain links to other websites or web pages that are not system-related websites:

Asheboro City Schools retains control over what links will be placed on system-related websites; however, the linked sites themselves are not under the control of the school system, its agents, or its employees. Asheboro City Schools is not responsible for the contents of any linked site, any link contained in a linked site, or any changes or updates to such sites. Asheboro City Schools provides links as a convenience, and the inclusion of any link does not imply endorsement of the site by the school system. Asheboro City Schools reserves the right to remove or restrict any links.

c.À Links to Personal Pages

School websites or web pages may not contain links to personal web pages of students or employees or lists of personal web pages.

6.À Behavior Standards

When using the Internet, employees and students are responsible for understanding and complying with board policies and administrative regulations, including policy 3225/4312/7320, Technology Responsible Use; student behavior policies in the 4300 series; and policy 7300, Staff Responsibilities.

7.À Accessibility of Website

The web manager/editor, in consultation with the technology director, shall ensure

that the school system website meets required standards to ensure accessibility for persons with disabilities.

C. GUIDELINES FOR INDIVIDUAL SCHOOL WEBSITES

Each school may promote itself by publishing an official school web page on the Internet only via the official school system website. In addition to the standards above, the following standards apply to individual school websites.

- 1.Á The content of school web pages must be approved by the school principal.
- 2.Á The safety of students and employees must be considered when constructing school web pages. To protect the safety of students and employees, the following precautions must be taken:
 - a.Á home addresses or telephone numbers will not be listed;
 - b.Á student e-mail addresses will not be listed;
 - c.Á photographs of students and student work will be used only with appropriate parental permission and/or as approved for release as directory information under policy 4700, Student Records, and will include only the student's first name, with no other information about the student.

The principal or designee is responsible for maintaining records of permission granted for the release of information. The principal should implement other safety precautions, as necessary, to be followed when constructing web pages.

- 3.Á To protect a student's rights in his or her intellectual property, if a school or teacher publishes a student's work, a disclaimer should be provided indicating the terms of redistribution or reuse.
- 4.Á Schools must provide contact information and other general information about the school on the school website, including the school's name, phone number, fax number, grade levels, and address, the principal's name, and the e-mail addresses of the school administrative team.
- 5.Á Graphics used on school websites must be appropriate to the school and should be of a size that will download quickly into a web browser.
- 6.Á Schools must keep information presented on their school's web page current, accurate, and grammatically correct.
- 7.Á The principal or designee must approve all revisions and additions to the school website.

8.Ā Failure to comply with these guidelines or the standards of this policy, as determined by the superintendent or designee, may result in the removal of a school's web page from the Internet.

Legal References: U.S. Const. Amend. I; Americans with Disabilities Act, 42 U.S.C. 12131 *et seq.*, 28 C.F.R. pt. 35; Electronic Communications Privacy Act, 18 U.S.C. 2510-2522; Family Educational Rights and Privacy Act, 20 U.S.C. 1232g; Rehabilitation Act of 1973, 29 U.S.C. 705(20), 794, 34 C.F.R. pt. 104; 17 U.S.C. 101 *et seq.*; G.S. 115C-325(e) (applicable to career status teachers), -325.4 (applicable to non-career status teachers); 168A-7

Cross References: Curriculum and Instructional Guides (policy 3115), Technology in the Educational Program (policy 3220), Technology Responsible Use (policy 3225/4312/7320), Copyright Compliance (policy 3230/7330), Student Behavior Policies (4300 series), Student Records (policy 4700), Public Records – Retention, Release, and Disposition (policy 5070/7350), Staff Responsibilities (policy 7300), Employee Use of Social Media (policy 7335), Personnel Files (policy 7820)

Other Resources: Web Content Accessibility Guidelines 2.1, Level AA, available at <https://perma.cc/UB8A-GG2F>

Adopted: May 7, 2004

Revised: July 15, 2005, January 20, 2009, August 29, 2012, December 12, 2013, March 12, 2015, December 10, 2020

The board is committed to providing an environment at each school that is safe, orderly, and inviting. The board believes that in most cases, a student should attend the school that serves his or her domicile. Under certain circumstances or conditions, however, the board provides parents the opportunity to request that their child attend a school outside of his or her attendance area (see policy 4150, School Assignment).

Pursuant to federal and State Board of Education requirements, the board will allow a student who attends a school designated as a persistently dangerous school or a student who becomes the victim of a violent criminal offense at his or her school to attend another school that the superintendent has identified as an eligible transfer school.

A. DEFINITIONS

For purposes of this policy, the following definitions apply:

1.Á Violent Criminal Offenses

Violent criminal offenses are the following crimes:

- a.Á homicide;
- b.Á assault resulting in serious bodily injury;
- c.Á assault involving use of a weapon;
- d.Á rape;
- e.Á sexual offense;
- f.Á sexual assault;
- g.Á kidnapping;
- h.Á robbery with a dangerous weapon; and
- i.Á taking indecent liberties with a minor.

2.Á Persistently Dangerous School

A persistently dangerous school is a school in which:

- a.Á at least two violent criminal offenses were committed with a rate of five or more such offenses per 1000 students during each of the two most recent

school years; and

b. the conditions that contributed to the commission of such offenses are determined by the State Board of Education as being likely to continue into another school year.

3.Á Eligible Transfer School

An eligible transfer school is a school that is not designated as a persistently dangerous school, that offers instruction at the student's grade level, and that the superintendent has identified as eligible for unsafe school choice transfer.

B. IDENTIFICATION OF SCHOOLS AS PERSISTENTLY DANGEROUS

1.Á Conditions Contributing to the Commission of Violent Criminal Offenses

For any school in which at least two violent criminal offenses and five or more such offenses per 1000 students were committed on school property during each of the two most recent school years, the board will determine whether any changes need to be made in the school- or system-level school safety procedures. The superintendent shall report to the State Board of Education any conditions in the school that may have contributed to the commission of the violent criminal offenses and any plans that the board has to eliminate such conditions.

2.Á Probationary Schools

If the State Board of Education determines that a school should be placed on probation, during the probationary year the principal and school improvement team shall implement strategies to protect students from violent criminal offenses and to deter future offenses from occurring. Such strategies must be incorporated into the school improvement plan. As necessary, the superintendent may request assistance from the Department of Public Instruction to help identify strategies for implementation.

3.Á Persistently Dangerous Schools

If the State Board of Education determines that a school is a persistently dangerous school, the superintendent shall assign personnel from the central office to review safety procedures at the school. The central office team also shall assist the school with creating and implementing a corrective action plan for the school. The corrective action plan should be based on an analysis of the problems at the school, should include strategies to improve safety at the school, and should identify any system-level policies and procedures that need to be modified. Any strategies identified for the corrective action plan should be incorporated into the school improvement plan.

Pursuant to the unsafe school choice transfer procedures provided below, a student who attends a persistently dangerous school will be allowed to transfer to another school that the superintendent has designated as an eligible transfer school.

As deemed appropriate, the board will pursue any appeals process available for review of a school's designation as probationary or persistently dangerous.

C. VICTIM OF A VIOLENT CRIMINAL OFFENSE

A student shall be considered the victim of a violent criminal offense when the following criteria are met:

- 1.Ā the principal determines, based upon reasonable evidence, that the student has been the victim of any of the applicable offenses identified in this policy; and
- 2.Ā the offense occurred while the student was on the grounds of the public school that he or she attends.

Pursuant to the unsafe school choice transfer procedures provided below, a student who is a victim of a violent criminal offense shall be allowed to transfer to another school that the superintendent has designated as eligible for transfer.

D. TRANSPORTATION

Parents who decide to transfer their child pursuant to this policy are responsible for transportation of their child to the receiving school.

Legal References: Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act (ESSA), 20 U.S.C. 7912; *Unsafe School Choice Option Non-Regulatory Guidance*, U.S. Department of Education (May 2004), available at <https://files.eric.ed.gov/fulltext/ED494736.pdf>; G.S. 14-17, -18, -27.21, -27.22, -27.24 through -27.27, -27.29, -27.30, -27.33, -32 through -34.10, -39, -87, -202.1, -202.2, -202.4; 115C-36, -105.27, -366, -367; 16 N.C.A.C. 6E .0107; State Board of Education Policy SSCH-006

Cross References: School Safety (policy 1510/4200/7270), School Improvement Plan (policy 3430), Conflict Resolution (policy 3431), School Assignment (policy 4150)

Adopted: December 10, 2020

Revised: March 10, 2022

The board is concerned with the health, safety, and welfare of all children and recognizes the legal and ethical obligations that school employees, contractors, and volunteers have to report known or suspected maltreatment of children. North Carolina has two separate systems that mandate reports to state authorities of suspected child abuse, neglect, dependency, or maltreatment and a third system for mandated reporting of certain crimes against juveniles to local law enforcement.

When a parent or other caretaker is suspected to have caused a child to be abused, neglected, or dependent, this information must be reported to the county child welfare agency. Suspected human trafficking, involuntary servitude, and sexual servitude of a child and death of a child as a result of maltreatment are special forms of child abuse under law and must be reported to the county child welfare agency, regardless of the relationship between the victim and the perpetrator. By contrast, suspected child maltreatment by a caregiver in a child care facility, including in a licensed preschool classroom or other licensed classroom or program operated by the school system, must be reported to the Department of Health and Human Services (DHHS), Division of Child Development and Early Education (DCDEE). When the source of the harm or threat of harm to the child is uncertain, a report should be made to both the county child welfare agency and DCDEE.

In addition, state law mandates reports to local law enforcement when a child is a victim of certain violent offenses, sexual offenses, or misdemeanor child abuse. An adult who knows or reasonably should have known of any of these offenses inflicted upon a child must report that information immediately.

The board of education supports all employees who in good faith make a report under North Carolina's mandated reporting laws.

The superintendent shall develop any necessary procedures for making a report or otherwise implementing this policy.

A. DUTY TO REPORT CERTAIN CRIMES AGAINST CHILDREN TO LOCAL LAW ENFORCEMENT

A school employee, contractor, or volunteer is legally required to report to local law enforcement when the employee or volunteer knows or reasonably should know that a child has been a victim of any of the following crimes:

- 1.Ā a sexual offense (which for purposes of this policy, the board interprets to mean any offense that relates to inappropriate sexual conduct with or involving a child);
- 2.Ā an offense that inflicts serious bodily injury or serious physical injury upon the child by nonaccidental means;

- 3.Ā an attempt, solicitation, or conspiracy to commit either offense described above, or aiding and abetting either offense; or
- 4.Ā misdemeanor child abuse, which occurs when a parent or any other person providing care or supervision to a child who is under the age of sixteen (1) inflicts or allows to be inflicted physical injury to the child by nonaccidental means or (2) creates or allows a substantial risk of physical injury to the child by nonaccidental means.

Compliance with this reporting requirement does not relieve the employee or volunteer from his or her duty to report pursuant to Sections B and C of this policy. The employee, contractor, or volunteer also shall immediately report the case to the principal.

A school employee, contractor, or volunteer is immune by statute from any state civil and/or criminal liability when making a report in good faith under this Section. An employee who fails to report or who prevents another person from making a report is subject to disciplinary action by the school system and civil and criminal action under the law. A volunteer or contractor who fails to report or prevents another person from making a report may be restricted from school property or lose the privilege of volunteering for or contracting with the school system and is subject to civil and criminal action under the law.

B. DUTY TO REPORT CHILD ABUSE, NEGLECT, DEPENDENCY, OR DEATH AS A RESULT OF MALTREATMENT TO THE COUNTY CHILD WELFARE AGENCY

A school employee, contractor, or volunteer who knows or has cause to suspect that (1) a parent, guardian, custodian, or caretaker of a child has caused the child to be abused, neglected, or dependent, or (2) that a child has died as a result of maltreatment or been a victim of human trafficking, involuntary servitude, or sexual servitude by any person is legally required to report the case to the director of social services. The employee, contractor, or volunteer also shall immediately report the case to the principal. Any doubt about reporting a suspected situation must be resolved in favor of reporting, and the report must be made immediately.

A school employee, contractor, or volunteer is immune by statute from any civil and/or criminal liability when making a report in good faith under this Section. An employee who fails to report or who prevents another person from making a report is subject to disciplinary action by the school system and civil and criminal action under the law. A volunteer or contractor who fails to report or prevents another person from making a report may be restricted from school property or lose the privilege of volunteering for or contracting with the school system and is subject to civil and criminal action under the law.

C. DUTY TO REPORT CHILD MALTREATMENT IN A CHILD CARE FACILITY TO THE DIVISION OF CHILD DEVELOPMENT AND EARLY EDUCATION

A school employee, contractor, or volunteer who has cause to suspect that a child in a child care facility has been maltreated by a caregiver or has died as a result of maltreatment

occurring in a child care facility is legally required to report the case to DCDEE.

A “child care facility” includes any DHHS-licensed classroom or program operated by the school system, including for example, licensed pre-school or Title I classrooms, licensed afterschool programs, and licensed developmental day programs.

Any doubt about reporting a suspected situation or uncertainty whether the child’s care is being provided in a child care facility must be resolved in favor of reporting, and the report should be made immediately.

An employee making a report to DCDEE also shall immediately report the case to the principal. If the suspected maltreatment occurred in a licensed preschool classroom or other licensed classroom or program operated by board, the principal shall immediately notify the superintendent of the suspected maltreatment. No reprisals of any kind may be taken against an employee who makes a good faith report of child maltreatment occurring in any licensed preschool classroom or other licensed classroom or program operated by the board.

An employee who fails to make a report as required by law and this policy may be subject to disciplinary action by the school system. In addition, if the employee works in a licensed preschool classroom or other licensed classroom or program operated by the board, failure to report maltreatment of a child in the program or classroom may itself constitute child maltreatment and result in the employee being placed on the state child maltreatment registry. A volunteer or contractor who fails to report or prevents another person from making a report may be restricted from school property or lose the privilege of volunteering for or contracting with the school system.

D. DUTY TO REPORT LICENSED EMPLOYEES TO THE STATE BOARD OF EDUCATION

In addition to the other reporting requirements of this policy and in accordance with Section F of policy 7130, Licensure, administrators shall report to the State Board of Education certain misconduct by licensed employees (1) involving physical injury to or sexual contact with a child, (2) justifying automatic revocation of the employee’s license, or (3) resulting in certain criminal charges, when such misconduct results in termination of employment, nonrenewal of an employment contract, suspension without pay, disciplinary action, or resignation.

E. COOPERATION WITH STATE AND LOCAL AGENCIES

- 1.Ā The principal may establish a contact person in the school to act as a liaison with state and local agencies charged with investigating reports made pursuant to this policy.
- 2.Ā Employees shall cooperate fully with agency personnel conducting an investigation.

- 3.Ā In a case under the jurisdiction of local law enforcement in which the child's parent, guardian, or custodian is suspected of wrongdoing, employees shall permit the child to be interviewed by local law enforcement on school campuses during school hours. Otherwise, permission from the parent, guardian, or custodian must be obtained before the child may be interviewed by local law enforcement on school campus during school hours.
- 4.Ā In a case under the jurisdiction of social services, employees shall permit the child to be interviewed by social services on school campuses during school hours.
- 5.Ā In a case under the jurisdiction of DCDEE concerning suspected child maltreatment by a caregiver in a child care facility, permission from the parent must be obtained before the child may be interviewed on school campus during school hours.
- 6.Ā Employees shall provide confidential information to agency personnel, so long as the disclosure does not violate state or federal law.
- 7.Ā Any confidential information disclosed by the investigating agency to employees must remain confidential and may be rediscovered only for purposes directly connected with carrying out the responsibilities of the school system or the employee.

F. SHARING INFORMATION WITH OTHER AGENCIES

Upon request and to the extent permitted by law, school system officials shall share with other agencies designated in G.S. 7B-3100(a) information that is relevant to (1) any assessment by the department of social services of a report of child abuse, neglect, dependency, or death as a result of maltreatment; (2) the provision or arrangement of protective services in a child abuse, neglect, or dependency case by the department of social services; or (3) any case in which a petition is filed alleging that a juvenile is abused, neglected, dependent, undisciplined, or delinquent. School system officials and the designated agencies must continue to share such information until the protective services case is closed by the department of social services or, if a petition is filed, until the juvenile is no longer subject to the jurisdiction of juvenile court.

G. CHILD SEXUAL ABUSE AND SEX TRAFFICKING TRAINING PROGRAM

In even numbered years, the school system will provide a child sexual abuse and sex trafficking education and awareness training program for teachers, instructional support personnel, principals, and assistant principals. The program will include at least two hours of training related to best practices from the field of prevention, the grooming process of sexual predators, the warning signs of sexual abuse and sex trafficking, how to intervene when sexual abuse or sex trafficking is suspected or disclosed, legal responsibilities for reporting sexual abuse or sex trafficking, and available resources for assistance. Designated school personnel shall participate in such training as required by law and board policy.

H. CHILD ABUSE AND NEGLECT INFORMATION AND RESOURCES FOR STUDENTS

In accordance with G.S. 115C-47(65) and State Board of Education Policy SHLT-003, the school system will provide information on child abuse and neglect, including age-appropriate information on sexual abuse, to students in grades 6 through 12. Such information will be provided in the form of (1) a document given to all students in grades 6 through 12 at the beginning of each school year, (2) a display posted in visible, high-traffic areas throughout each secondary school, and (3) a video produced by the Center for Safer Schools shown to all students in grades 6 through 12 no more than five days after the first day of the school year.

Legal References: Family Educational Rights and Privacy Act, 20 U.S.C. 1232g; G.S. 7B-101, -301, -302, -309, -3100; 8-53.4; 14-208.6, -318.2, -318.4, -318.6; 110-90.2, -105.3, -105.4, -105.5; 115C-12(47), -47(65), -270.35(b), -326.20, -375.20, -400, -402; 126-5; 16 N.C.A.C. 6C .0608; 16 N.C.A.C. 6D .0403; State Board of Education Policy SHLT-003

Cross References: Professional and Staff Development (policy 1610/7800), Staff-Student Relations (policy 4040/7310), Student Records (policy 4700), Licensure (policy 7130)

Adopted: September 10, 2020

Revised: September 12, 2021, August 11, 2022, February 9, 2023, January 11, 2024, August 13, 2024, August 14, 2025

The board recognizes that concussions and other head injuries may be serious and potentially life threatening and that such injuries may result in serious consequences later in life if managed improperly. The board is committed to practices that reduce the potential for short-term or long-term effects from such injuries. In support of this commitment, the board directs school employees to comply with the concussion safety rules for interscholastic athletic competition adopted by the State Board of Education as required by G.S. 115C-407.57 and initially established in the Gfeller-Waller Concussion Awareness Act of 2011. The superintendent or designee shall develop plans consistent with state requirements and shall implement and monitor compliance with this policy. The superintendent is authorized to investigate the use of baseline testing for student-athletes and require that student-athletes undergo such testing prior to their participation in any interscholastic athletic competition.

A. DEFINITION OF CONCUSSION

A concussion is a traumatic brain injury caused by a direct or indirect impact to the head that results in disruption of normal brain function, which may or may not result in a loss of consciousness.

B. CONCUSSION EDUCATION VIDEO FOR HIGH SCHOOL STUDENT-ATHLETES

All high school student-athletes and parents of high school student-athletes must view the CrashCourse concussion education video prior to each sport season.

C. SCHOOL HEAD INJURY INFORMATION SHEET

Each year, all coaches, school nurses, athletic directors, first responders, volunteers, student-athletes, and parents of student-athletes must be provided with a concussion and head injury information sheet that meets the requirements of the State Board. Before any student, school employee, volunteer, or first responder will be allowed to participate in interscholastic athletic activities, including tryouts, practices, or competitions, he or she must sign the head injury information sheet and return it to the coach. Parents also must sign the sheet and return it to the coach before their children may participate in any interscholastic athletic activity. The principal of each school shall ensure that a complete and accurate record of the returned signed sheets is maintained in accordance with law and State Board policy.

D. REMOVAL FROM AND RETURN TO PLAY

Any student-athlete who is exhibiting signs or symptoms consistent with a concussion must be removed from athletic activity immediately. Further, the student-athlete must not be allowed to return to play or practice that day or on any subsequent day until he or she has been evaluated and has received written clearance for participation that complies with the requirements of G.S. 115C-407.57 and any other applicable law or State Board policy or

rule.

E. RETURN TO LEARNING

The superintendent or designee shall develop a plan that meets all the requirements of the State Board of Education for addressing the needs of students in grades Pre-K through 12 who suffer concussions. The superintendent or designee shall also arrange for information and professional development to be provided annually to all teachers and other school personnel on return-to-learn issues and other concerns related to concussion and brain injuries. Parents and students must be offered the opportunity annually to provide information related to any head injury or concussion the student may have incurred during the past year on the health history and emergency medical information update form.

F. EMERGENCY ACTION PLANS

Each principal or designee shall develop a venue-specific emergency action plan to respond to serious medical injuries and acute medical conditions in which the condition of the injured student may deteriorate rapidly. All such plans must include a delineation of roles, methods of communication, available emergency equipment, and a plan for emergency transport. The plans must be (1) in writing, (2) reviewed by an athletic trainer who is licensed in North Carolina, (3) approved by the principal if developed by a designee, (4) distributed, posted, reviewed, and rehearsed in accordance with G.S. 115C-407.58, and (5) compliant with any other requirements of state law and State Board policy or rules.

G. ATHLETIC TRAINERS AND FIRST RESPONDERS

Each high school principal shall designate at least one licensed athletic trainer or first responder who meets the requirements of state law and State Board of Education policy. The principal shall monitor each athletic trainer's or first responder's compliance with the duties assigned to the position by the State Board and any additional duties assigned by the superintendent or designee, including, but not limited to, attendance at football games and practices and wrestling matches and tournaments and compliance with all applicable training and certification requirements.

To the extent funding and resources are available, the superintendent shall work toward having a licensed athletic trainer or first responder available for all school practices and games of all high school and middle school sports.

H. RECORDKEEPING

The superintendent shall require each principal to maintain complete and accurate records of actions taken in his or her school to comply with this policy and applicable legal authority. Records shall include accounts of any education or training as may be required by law or State Board of Education policy or rules.

The superintendent's report to the board on compliance with laws and policies related to

student wellness shall include a report on the system's compliance with laws and policies related to concussions and head injuries. (See subsection F.4 of policy 6140, Student Wellness.)

Legal References: G.S. 90 art. 34; 115C-12(23), -407.55, -407.57, -407.58, -407.70; S.L. 2011-147; 16 N.C.A.C. 6E .0205, .0206; State Board of Education Policies ATHL-000, ATHL-003, SHLT-001; N.C. High School Athletic Association Handbook, available at <https://www.nchsaa.org/handbook>

Cross References: Student Wellness (policy 6140)

Other Resources: Matthew Gfeller Sport-Related TBI Research Center at UNC website, <https://gfellerwallerlaw.unc.edu/>; *Report to the North Carolina General Assembly: Study of Sports Injuries at Middle School and High School Levels*, N.C. Department of Public Instruction (2011), available at <https://webservices.ncleg.gov/ViewDocSiteFile/16567>

Adopted: December 8, 2011

Updated: April 10, 2014, July 14, 2016, September 14, 2017, August 13, 2020, August 12, 2021, March 9, 2023, August 13, 2024

The board recognizes that concussions and other head injuries may be serious and potentially life threatening and that such injuries may result in serious consequences later in life if managed improperly. The board is committed to practices that reduce the potential for short-term or long-term effects from such injuries. In support of this commitment, the board directs school employees to comply with the concussion safety rules for interscholastic athletic competition adopted by the State Board of Education as required by G.S. 115C-407.57 and initially established in the Gfeller-Waller Concussion Awareness Act of 2011. The superintendent or designee shall develop plans consistent with state requirements and shall implement and monitor compliance with this policy. The superintendent is authorized to investigate the use of baseline testing for student-athletes and require that student-athletes undergo such testing prior to their participation in any interscholastic athletic competition.

A. DEFINITION OF CONCUSSION

A concussion is a traumatic brain injury caused by a direct or indirect impact to the head that results in disruption of normal brain function, which may or may not result in a loss of consciousness.

B. CONCUSSION EDUCATION VIDEO FOR HIGH SCHOOL STUDENT-ATHLETES

All high school student-athletes and parents of high school student-athletes must view the CrashCourse concussion education video prior to each sport season.

C. SCHOOL HEAD INJURY INFORMATION SHEET

Each year, all coaches, school nurses, athletic directors, first responders, volunteers, student-athletes, and parents of student-athletes must be provided with a concussion and head injury information sheet that meets the requirements of the State Board. Before any student, school employee, volunteer, or first responder will be allowed to participate in interscholastic athletic activities, including tryouts, practices, or competitions, he or she must sign the head injury information sheet and return it to the coach. Parents also must sign the sheet and return it to the coach before their children may participate in any interscholastic athletic activity. The principal of each school shall ensure that a complete and accurate record of the returned signed sheets is maintained in accordance with law and State Board policy.

D. REMOVAL FROM AND RETURN TO PLAY

Any student-athlete who is exhibiting signs or symptoms consistent with a concussion must be removed from athletic activity immediately. Further, the student-athlete must not be allowed to return to play or practice that day or on any subsequent day until he or she has been evaluated and has received written clearance for participation that complies with the requirements of G.S. 115C-407.57 and any other applicable law or State Board policy or

rule.

E. RETURN TO LEARNING

The superintendent or designee shall develop a plan that meets all the requirements of the State Board of Education for addressing the needs of students in grades Pre-K through 12 who suffer concussions. The superintendent or designee shall also arrange for information and professional development to be provided annually to all teachers and other school personnel on return-to-learn issues and other concerns related to concussion and brain injuries. Parents and students must be offered the opportunity annually to provide information related to any head injury or concussion the student may have incurred during the past year on the health history and emergency medical information update form.

F. EMERGENCY ACTION PLANS

Each principal or designee shall develop a venue-specific emergency action plan to respond to serious medical injuries and acute medical conditions in which the condition of the injured student may deteriorate rapidly. All such plans must include a delineation of roles, methods of communication, available emergency equipment, and a plan for emergency transport. The plans must be (1) in writing, (2) reviewed by an athletic trainer who is licensed in North Carolina, (3) approved by the principal if developed by a designee, (4) distributed, posted, reviewed, and rehearsed in accordance with G.S. 115C-407.58, and (5) compliant with any other requirements of state law and State Board policy or rules.

G. ATHLETIC TRAINERS AND FIRST RESPONDERS

Each high school principal shall designate at least one licensed athletic trainer or first responder who meets the requirements of state law and State Board of Education policy. The principal shall monitor each athletic trainer's or first responder's compliance with the duties assigned to the position by the State Board and any additional duties assigned by the superintendent or designee, including, but not limited to, attendance at football games and practices and wrestling matches and tournaments and compliance with all applicable training and certification requirements.

To the extent funding and resources are available, the superintendent shall work toward having a licensed athletic trainer or first responder available for all school practices and games of all high school and middle school sports.

H. RECORDKEEPING

The superintendent shall require each principal to maintain complete and accurate records of actions taken in his or her school to comply with this policy and applicable legal authority. Records shall include accounts of any education or training as may be required by law or State Board of Education policy or rules.

The superintendent's report to the board on compliance with laws and policies related to

student wellness shall include a report on the system's compliance with laws and policies related to concussions and head injuries. (See subsection F.4 of policy 6140, Student Wellness.)

Legal References: G.S. 90 art. 34; 115C-12(23), -407.55, -407.57, -407.58, -407.70; S.L. 2011-147; 16 N.C.A.C. 6E .0205, .0206; State Board of Education Policies ATHL-000, ATHL-003, SHLT-001; N.C. High School Athletic Association Handbook, available at <https://www.nchsaa.org/handbook>

Cross References: Student Wellness (policy 6140)

Other Resources: Matthew Gfeller Sport-Related TBI Research Center at UNC website, <https://gfellerwallerlaw.unc.edu/>; *Report to the North Carolina General Assembly: Study of Sports Injuries at Middle School and High School Levels*, N.C. Department of Public Instruction (2011), available at <https://webservices.ncleg.gov/ViewDocSiteFile/16567>

Adopted: December 8, 2011

Updated: April 10, 2014, July 14, 2016, September 14, 2017, August 13, 2020, August 12, 2021, March 9, 2023, August 13, 2024

The board recognizes that an effective staff is critical to the smooth operations 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. For the purposes of this policy, the term "school administrator" is defined as a principal, assistant principal, supervisor, or director whose major function includes the supervision of teaching or any other part of the instructional program.

A. STANDARD FOR INITIAL, EXTENDED, OR RENEWED CONTRACTS

School administrator contracts will be granted, extended, or renewed only for individuals of proven ability who strive for excellence. School administrators should be able to facilitate student learning and effectively carry out the responsibilities of providing for school safety and enforcing student discipline. The superintendent is expected to be able to substantiate any recommendation for granting a new contract, extending a current contract, or renewing a contract with evaluation data, as described in policy 7810, Evaluation of Licensed Employees, or with regard to applicants, with data from the selection process as provided in policy 7100, Recruitment and Selection of Personnel. If the board is not satisfied that an applicant or employee has met the standards established by the board, employment will be denied, following statutorily prescribed procedures and other applicable legal requirements.

B. TERM OF CONTRACT**1.À Initial Contracts**

Initial contracts between a school administrator and the board will be for a term of two to four years. Four-year initial contracts will be granted only to exemplary school administrators. Absent unusual circumstances, two-year initial contracts will be granted for individuals who do not have experience as school administrators. In addition, one-year contracts may be granted to individuals who hold a provisional assistant principal's license.

2.À Subsequent Contracts

Subsequent contracts between a principal or assistant principal and the board will be granted for a term of four years.

C. PERFORMANCE EXPECTATIONS

An employee who has a school administrator contract 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 reasonable standards of the board may be subject to demotion or dismissal, as provided in policy 7930, Professional Employees: Demotion and Dismissal, and in accordance with statutorily prescribed procedures.

D. PROCEDURE FOR NEW, RENEWED, OR EXTENDED CONTRACTS

- 1.Ā Decisions of the superintendent and board with regard to recommendations and offers and decisions not to recommend or offer new, renewed, or extended contracts will be made in accordance with G.S. 115C-287.1.
- 2.Ā If the superintendent decides not to recommend that the board offer a school administrator a new, renewed, or extended contract, the employee has all procedural rights accorded by G.S. 115C-287.1.
- 3.Ā In considering a recommendation of the superintendent to offer a school administrator a new, renewed, or extended contract, the board may review any information that was in the employee's personnel file at the time of the superintendent's recommendation. If the board determines that it needs additional information to reach a decision, it will notify the administrator of the board's concerns and of the additional information that it is considering and provide an opportunity for the employee to respond to the additional information.

Legal References: G.S. 115C-36, -47(18), -270.20(b), -287.1, -289, -325.1 *et seq.*; *Tobe-Williams v. New Hanover Co. Bd. of Educ.*, 234 N.C. App. 453, 759 S.E.2d 680 (2014)

Cross References: Professional and Staff Development (policy 1610/7800), Hearings Before the Board (policy 2500), Recruitment and Selection of Personnel (policy 7100), Evaluation of Licensed Employees (policy 7810), Professional Employees: Demotion and Dismissal (policy 7930)

Adopted: May 14, 1998 to become effective July 1, 1998

Revised: May 11, 2000, November 10, 2005, June 14, 2012, February 12, 2015, June 8, 2017

Asheboro City Schools
Personnel Transactions
February 12, 2026

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

LAST	FIRST	SCHOOL	SUBJECT	EFFECTIVE
Knuckles	Savannah	LP	Kindergarten Teacher	02/24/2026
Martin	Lisa	GBT	Instructional Assistant	06/10/2026
Smith	Kelly	NAMS	Physical Education Teacher	02/28/2026
Vickery	Lauren	BAL	Speech Pathologist	01/21/2026

***B. APPOINTMENTS**

LAST	FIRST	SCHOOL	SUBJECT	EFFECTIVE
Beard	John	BAL	School Counselor (Part-Time)	01/05/2026
Clodfelter	Kimberly	BAL	School Counselor (Part-Time)	01/05/2026
Frazier	James	SAMS	Non-Faculty Baseball Coach	02/13/2026
Hippert	Neva	SAMS	Non-Faculty Track Coach	02/13/2026
Lee	Justin	SAMS	Non-Faculty Baseball Coach	02/13/2026
Murphy	Sean	AHS	Mathematics	02/02/2026
Skelly	Barb	CO	Educational Diagnostician (Part-Time)	01/26/2026

ASHEBORO CITY SCHOOLS
.....
CERTIFIED APPOINTMENTS
February 12, 2026

NAME	COLLEGE/DEGREE	LICENSURE
Sean Murphy	Wingate University B: Mathematics	Mathematics 9-12

Mr. Sean Murphy has been recommended to serve as a mathematics teacher at Asheboro High School for the 2025–2026 school year. He begins his educational career with Asheboro City Schools bringing valuable experience from prior operational and organizational roles. During the current year, Mr. Murphy has served as a non-faculty coach at Asheboro High School, where he has already established strong relationships with both students and staff. He is enthusiastic about combining his background in mathematics with his passion for working with young people and is eager to contribute to a school community focused on academic growth and student mentorship. Welcome to Asheboro City Schools, Mr. Murphy!

Asheboro City Schools
Personnel Transactions - ADDENDUM
February 12, 2026

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

LAST	FIRST	SCHOOL	SUBJECT	EFFECTIVE
Cooper	Michelle	NAMS	EC Teacher	06/30/2026
Dunn	Matthew	CO	Welcome Center Coordinator	02/13/2026
Syriac	Renee	CO	Substitute Bus Driver	02/10/2026

***B. APPOINTMENTS**

LAST	FIRST	SCHOOL	SUBJECT	EFFECTIVE
Cartagena	Jennifer	CO	Substitute Bus Safety Assistant	02/16/2026

877f693a-166e-42ee-839c-9d032e01aa58

CDC 2026

Submission ID: 877f693a-166e-42ee-839c-9d032e01aa58

Org Name: Asheboro High School

Submitter: Kim Hoffman

Submitter Email: khoffman@asheboro.k12.nc.us

Status: Approved

Note: Bus is coming back and forth. School Level Drivers 8057 8400

Submission Title *

CDC 2026

The title is used to identify the submission for both submitters and reviewers. Choose something specific but brief.

Overnight Trip

Group Making Request: *

AHS DECA

School: *

AHS

Koury Convention Center, Greensboro, NC/DoubleTree Hotel

Date of Trip: *

 February 26, 2026

Number of Students Involved: *

65

Percent of Total Group: *

60%

Reasons for Students Not Attending: *

Did not qualify for competition

Transportation Method: Check box

Activity Bus

Charter Bus

Private Automobile

Charter Bus Service, state name of vendor here:

If using Travel Company, state name of Vendor here:

 **The Travel Company must use an approved ACS Charter Bus Company

Number of Vehicles Needed (to be secured by the Central Office): *

2

Number of Drivers Needed (to be secured by the Central Office): *

0

Departure Time: *

8:30 am Thursday

Return Time: *

4:00 pm Saturday

Estimated Cost to the Student: *

\$ 210

Purpose of the Field Trip: *

NC DECA State CDC Competition

List below the names of adult chaperones who will be accompanying this group on the field trip. Place an "*" by individuals who are licensed to drive school vehicles and who will be serving in that capacity for you. *

Kim Hoffman, Kris Tutterow, Erin Whitehead, Jennifer Phipps, Lashonda McDonald, (one more)

Sponsor (Group Responsible for Paying for the Trip) *

AHS DECA

If approved, the following procedures must be followed: (1) Written parental permission is required for all field trips.

This permission should be acquired using the Asheboro City Schools Parental Field Trip Permission Form; (2) No students can serve as drivers; private vehicles are used as a last resort; and (3) All Students in class or group shall have an opportunity to attend—means will be provided for students to participate when necessary.

I certify that all those requirements, in addition to the general guidelines on the back of this form, will be fully met.

Form History

↑ Kim Hoffman submitted form 1/15/2026, 8:43:39 AM

✓ Kacie Kerns approved form 1/15/2026, 8:47:03 AM

✓ Ryan Moody approved form 1/16/2026, 12:38:57 PM

✓ Tari Johnson approved form 1/16/2026, 1:35:12 PM

Notes:
Bus is coming back and forth. School Level Drivers 8057 8400

✓ Aaron Woody approved form 1/16/2026, 2:54:00 PM

**DISTRIBUTION REQUEST
PUBLIC SCHOOL BUILDING CAPITAL FUND
NORTH CAROLINA EDUCATION LOTTERY**

Date of Request: 3/1/2026

DPI Use Only

Approved By: _____

Date: _____

County: Randolph

Contact Person: Will Massie

LEA: Asheboro City Schools

Title: County Finance Officer

Address: 725 McDowell Rd Asheboro, NC 27204

Phone: 336-318-6310

Project Title: 2025-2026 Debt Service -Teachey Elementary

Location: Asheboro, NC

Type of Facility: Elementary School

North Carolina General Statutes, Chapter 18C, provides that a portion of the proceeds of the North Carolina State Lottery Fund be transferred to the Public School Building Capital Fund in accordance with G.S. 115C-546.2. Further, G.S. 115C-546.2 (d) has been amended to include the following:

(3) No county shall have to provide matching funds...

(4) A county may use monies in this Fund to pay for school construction projects in local school administrative units and to retire indebtedness incurred for school construction projects.

(5) A county may not use monies in this Fund to pay for school technology needs.

As used in this section, "Public School Buildings" shall include only facilities for individual schools that are used for instructional and related purposes, and does not include central administration, maintenance, or other facilities. ***Distribution requests must be submitted within one year following the date of final payment to the Contractor or Vendor.***

Short description of Construction Project:

2006 - Renovation of existing elementary school

Estimated Costs:

Purchase of Land _____ \$ _____

Planning and Design Services _____ \$ _____

New Construction _____ \$ _____

Additions / Renovations _____ \$ _____

Repair _____ \$ _____

Debt Payment / Bond Payment _____ \$ 283,026.65

TOTAL _____ \$ 283,026.65

Estimated Project Beginning Date: 10/1/25 Est. Project Completion Date: 4/1/26

We, the undersigned, agree to submit a statement of state monies expended for this project within 60 days following completion of the project.

The County Commissioners and the Board of Education do hereby jointly request approval of the above project, and request release of \$ 283,026.65 from the Public School Building Capital Fund (Lottery Distribution). We certify that the project herein described is within the parameters of G.S. 115C-546.

(Signature — Chair, County Commissioners)

(Date)

(Signature — Chair, Board of Education)

(Date)

Debt Service on School Construction

2006 COPS

2013B LOBS

**Teachey
Elementary**

Date	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Asheboro City Schools	
							debt %	School Debt Service
8/1/2015		51,500.00	51,500.00			495,225.00	495,225.00	
10/1/2015	2,060,000.00	51,500.00	2,111,500.00			495,225.00	495,225.00	
2/1/2016				2,163,000.00	-	990,450.00	990,450.00	419,314.25
4/1/2016	2,060,000.00	103,000.00	2,163,000.00			495,225.00	495,225.00	
10/1/2016				1,970,000.00		495,225.00	495,225.00	
4/1/2017				1,970,000.00		465,675.00	465,675.00	389,721.77
10/1/2017				1,960,000.00		465,675.00	465,675.00	
4/1/2018				1,960,000.00		426,475.00	426,475.00	379,250.39
10/1/2018				1,955,000.00		426,475.00	426,475.00	
4/1/2019				1,955,000.00		387,375.00	387,375.00	368,173.98
10/1/2019				1,955,000.00		813,850.00	2,768,850.00	
4/1/2020				1,955,000.00		725,875.00	2,680,875.00	356,475.95
10/1/2020				1,950,000.00		338,500.00	338,500.00	
4/1/2021				1,950,000.00		628,250.00	2,578,250.00	342,829.90
10/1/2021				1,940,000.00		289,750.00	2,229,750.00	
4/1/2022				1,940,000.00		245,625.00	245,625.00	329,150.61
10/1/2022				1,945,000.00		535,375.00	2,475,375.00	
4/1/2023				1,945,000.00		197,000.00	197,000.00	317,482.50
						442,625.00	2,387,625.00	

Debt Service on School Construction

2006 COPS

2013B LOBS

Teachey
Elementary

Policies

For

Review

Policy Code: 2670 Business Advisory Council

A. Composition of the Council

B. Appointment of Business and Industry Representatives

V@ Á[a@ Á] [Á a ^ A @ A a @ A] [a @ A ^ A] o A ^ A a ^ A a @ A ^ A d ^ A ^ A] ^ A ^ A a @ A

æ Æ Ù ã œ | } • Á | Ó | | ä g | } ö Á

à [ə] [æ] [ʌ] ó [ú] [ø] [œ] Á

C. Operation of the Council

0a[] e å k r) a f i é g e f i Á

~~ÜΔçãΔåkO&{ àΔ! ÁHÉGCFI Á~~

~~Asheboro City Schools~~

ORGANIZATION OF STUDENT TRANSPORTATION SERVICES

Policy Code:

6310

The superintendent shall establish a student transportation services program consistent with board goals established in policy 6300, Goals of Student Transportation Services, and with the requirements set forth in state and federal laws and regulations and board policies in the 6300 series. School personnel, volunteers, and private carriers are expected to be familiar with all duties imposed by law, board policy, or the superintendent.

The superintendent or designee shall develop all rules and regulations necessary to implement the board policies in the 6300 series. Specific duties related to providing student transportation services shall be included in appropriate job descriptions.

The superintendent shall ensure that a copy of all job descriptions, rules, regulations, and policies related to the safe, orderly, and efficient operation of the student transportation services program are posted on the school system website as required by the State Board of Education.

Legal References: G.S. 115C-241, -242, -244 to -246, -248; 16 N.C.A.C. 6B .0103

Cross References: Student Transportation Services policies (6300 series)

Adopted: May 14, 1998 to become effective July 1, 1998

Revised: January 21, 2016

Retirement will be in accordance with the Teachers' and State Employees' Retirement System of North Carolina. No employee will be required to retire at any age.

Any employee who plans to retire must notify the human resources department at least 90 days prior to his or her intended retirement date, except in cases in which health or other extenuating circumstances make shorter notice necessary.

If an employee's retirement allowance is subject to an adjustment pursuant to the contribution-based benefit cap for retirement under G.S. 135-5(a3), the board will not be responsible for restoring the employee's retirement allowance to the pre-cap amount unless the board has specified in writing in the employee's contract that the board will restore the employee's retirement allowance.

Legal References: 29 U.S.C. 621-634; G.S. 135, art. 1; G.S. 135-4 and -5

Adopted: May 14, 1998 to become effective July 1, 1998

Revised: September 9, 2010, February 8, 2018



Guy B. Teachey Elementary CIP Goals - Update

February 12, 2026



Goal 1 - Consistency

Develop and implement standards-aligned, rigorous lessons that are delivered consistently across classrooms with minimal variation, using student data to inform instructional decisions and ensure high-quality, learning experiences for all students.

Progress Update:

- Staff have participated in 3 of our 4 extended planning session where grade level teams along with our instructional facilitator collaborate, unpack standards, and align lessons to curriculum resources.
- **116 walkthroughs** have been completed in KickUp using the GBT's Learning Environment and Instructional Alignment Walkthrough tools.
- Analysis focused on creating a successful classroom environment (visuals, high expectations, classroom setups encourage student discourse) and the use of Teachey's 5 outlined core instructional routines.
- All staff have participated in our instructional routines professional developments that took place in November, December, and January on student discourse and checks for understanding.
- During CASA meetings, we have practiced using student data to analyze and to inform planning, guide instructional adjustments, and apply strategies in class that promote access for all students.



Goal 1



Key Data Points:

- **100%** - of walkthroughs indicated classrooms are set up to encourage student discourse.
- **90%** - of walkthroughs demonstrated tasks students were working on matched the rigor of the standard.
- **100%** - of walkthroughs showed at least one of the five core instructional routines were being used.

Instructional Routine	% Observed During Walkthroughs	% of Missed Opportunities
Student Discourse	46%	10%
Activating Prior Knowledge	52%	0%
Academic Language/ Sentence Stems	27%	10%
Check for Understandings	83%	2%
Goal Setting and Self Reflection	4%	0%

Next Steps:

- Gather additional implementation data over the coming weeks to analyze trends and intentionally plan professional development and coaching that further strengthens instructional practices.
- Highlight effective instructional practices by recognizing teachers and facilitating peer observations with exemplary classrooms.
- Provide professional development on at least one additional instructional strategy before the end of the year, with a likely focus on academic language and the use of sentence stems.
- Continue refining our weekly CASA meetings, with an ongoing emphasis on building confidence and consistency in analyzing student work to inform instructional decisions.

Goal 2 - Belonging

Create a school environment where every student feels known, seen, and valued by building strong relationships, inclusive practices, and a culture of care across all classrooms and common spaces.

Progress Update

- **Tier 1 SEL Instruction:** Core Essentials lessons are delivered in all K–5 classrooms, with monthly themes (Courage, Knowledge, Trust, Joy) reinforced through morning announcements and classroom meetings.
- **Student Announcements:** 5th Graders record our morning announcements each week with the help of our media specialist. They are able to take ownership of what is going on at school, celebrate students' birthdays and share the schoolwide SEL announcement.
- **Professional Learning:** All staff completed the six 90 minute sessions of Behavior Queen training focused on proactive supports, clear expectations, and consistent reinforcement.
- **Positive Behavior Reinforcement:** Monthly Tiger Celebrations recognize positive behavior, with **98%** of students being able to participate in our last Tiger Celebration.
- **Targeted Student Supports:** Individual and small-group sessions based on SEL and behavior data, take place focusing on self-regulation, coping skills, emotional management, and peer conflict resolution.



Goal 2



Key Data Points

- In **92%** of walkthroughs it was evident that rules and expectations were in place and being followed.
- **30% decrease** in major office referrals from 1st Quarter to 2nd Quarter.
- **46% decrease** in minor referrals from 1st Quarter to 2nd Quarter.
- **22% decrease** in total referrals (major + minor) compared to this time last year.
- **39 students** have been referred for school based mental health.
 - 30 of these referrals are for our on-site Kintegra Therapist (who currently have all things in place and is seeing 21 of the 30 students)
- **54 students** receive weekly or bi-weekly individual counseling by our school counselor.
- **12 students** participate in regular small-group counseling by our school counselor.
- Preliminary results from our student surveys (4th/5th grades) show a **3% increase in school climate/safety** from 81% of students responding favorably at the beginning of the year to 84% now. The survey also showed a **4% increase** in emotional regulation from 74% at the beginning of the year to 78% of students responding favorably now.

Next Steps

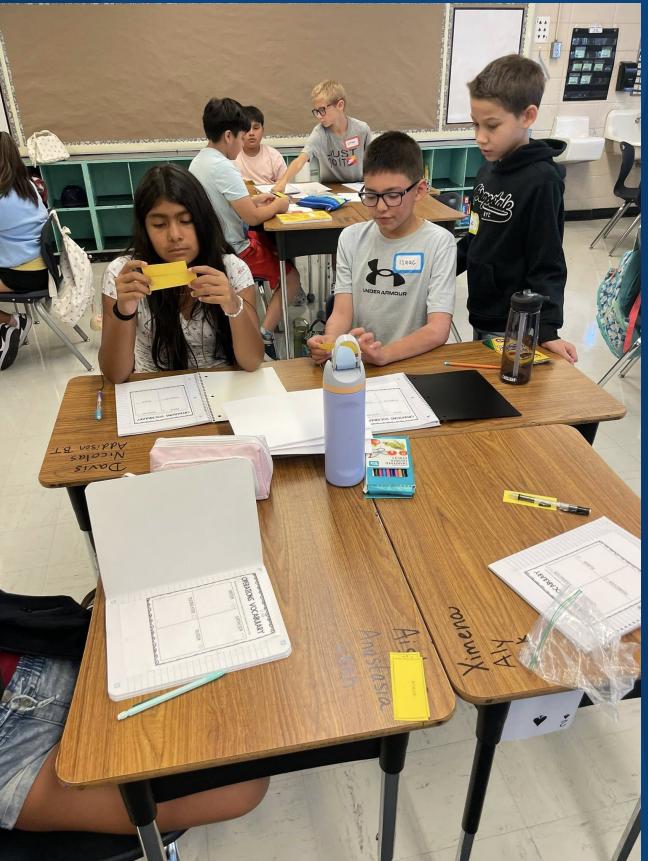
- Strengthen and reinforce schoolwide expectations, with a particular focus on hallway transitions, to ensure all common spaces remain safe, calm, and respectful learning environments.
- Our student support team will proactively identify students who are not already receiving help and may be falling through the cracks academically, behaviorally, or socially-emotionally, and coordinate targeted supports to ensure every student feels connected and supported.
- Continue strong Tier 1 SEL instruction across classrooms, reinforcing relationship-building, self-management, and a sense of belonging for all students.

Goal 3 - Coherence

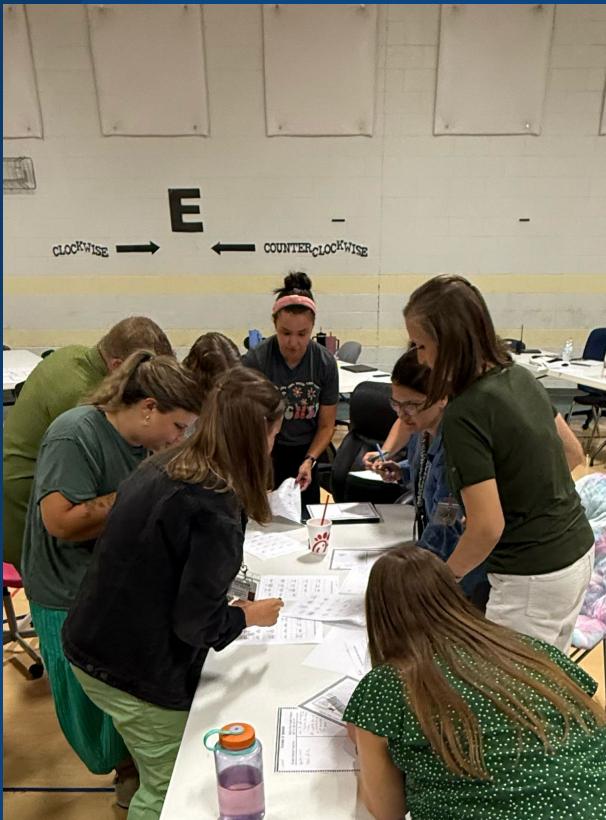
Ensure instructional coherence by aligning expectations, instructional practices, and support systems across all grade levels, departments, and initiatives to minimize fragmentation and maximize student learning outcomes.

Progress Update:

- Implemented GBT's Academic Expectations to create a shared language and consistent instructional routines across all classrooms.
- Weekly grade-level collaborative planning includes deeper conversations than what happened before. Classrooms have the same core lesson plans for consistency across grade levels.
- All teachers are using district approved/ adopted curriculum to have coherence across the school.
- Professional development around student discourse and checks for understanding have taken place and were aligned with our instructional priorities.
- The main focus of weekly CASA meetings have been to analyze student work to identify misconceptions and adjust instruction.
- 7 team walkthrough dates were scheduled and completed in the fall semester using a common walkthrough tool, followed by targeted feedback and next steps (follow up visit, sharing with others expertise, model lesson, coaching).



Goal 3



Key Data Points:

- **90** instructional walkthroughs completed using the Instructional Alignment tool.
- **90%** of tasks were designed to the rigor of the standard.
- **6** teachers have received one-on-one coaching support, completing a total of 8 coaching cycles.

Next Steps:

- Continue to implement a consistent walkthrough, feedback, and coaching cycle across grade levels and departments to reinforce shared instructional expectations and common practices.
- Strengthen the use of common data-analysis routines so teachers across all teams analyze student work and assessment data in similar ways and make timely, aligned instructional adjustments.
- Increase the use of timely, actionable feedback for both teachers and students, ensuring misconceptions are addressed quickly and instructional responses are consistent across classrooms.
- Use coaching and feedback to connect instructional decisions to schoolwide priorities and initiatives, minimizing fragmentation and reinforcing a unified approach to teaching and learning.

Questions ?





Asheboro High School CIP Goals - Update

February 12, 2026

Goal 1 - Consistency

Throughout the 2025-2026 school year, teachers will consistently provide active, engaging, standards-aligned lessons that incorporate daily student discourse and questioning.



Goal 1 Progress



Progress Update:

- Teachers have completed monthly PD sessions led by our administrative team.
- We utilized feedback from our instructional rounds with DPI and Central Office to focus our efforts on increasing engagement in the classroom and out PD focus for the year.
- Teachers are utilizing daily Do Now and Exit Tickets to ensure we are gaining insight into student misconceptions on a daily basis.
- Each CASA session has focused on pacing across all classrooms in common subject areas along with increasing engagement in the classroom.

Key Data Points:

- We saw positive gains in performance on our EOCs at the midyear mark.
- We saw a decrease in off task behaviors in the classroom and cell phone violations went down from the start of the school year (now third highest offense).
- Failures for the first semester went down by 15% from previous semester / year.

Next Steps:

- We will continue to utilize our PD sessions to ensure engagement in each classroom. Discussion of instructional practices has become a major focus in SLT for this year and we will continue this focus moving forward.

Goal 2 - Belonging

By the end of the 2025-2026 school year, student attendance will increase from 89.4% to 95% as measured by attendance data collected through School Status/Infinite Campus.



Goal 2 Progress



Progress Update

- Teachers have increased attendance conversations throughout the school year with parents of chronically absent students (3 or more).
- Over 10,000 text have been sent this year from our teachers to families (14,000 for all of 2024/25 SY).
- Over 45,000 emails sent (48,000+ for the 2024/25 SY).
- We have increased parent / counselor conferences throughout the first semester to catch students early who are falling behind in attendance.
- Increased home visits with the help of our Social Workers, Admin, and Counselors.
- Increase in number of students who qualified for exam exemptions at the end of the first semester.

Key Data Points

- Our attendance rate for the first semester was 94%
- Tardiness continues to be our highest discipline infraction, on par previous three years.

Next Steps

- We will continue to work collaboratively with our staff and families to identify any student who has falling behind in terms of attendance or grades prior to major issues arising. We will continue our monthly 911 student meetings to discuss any student who is in danger due to grades, attendance, or behavior and work to ensure we are intervening with the help of our families. We expect to see positive trends in attendance through our efforts in the second semester.

Goal 3 - Coherence

Teachers will meet in CASA groups bi-weekly to discuss issues of best practices, student data, and issues of concern.



Goal 3



Progress Update:

- Teachers have been meeting within their departments on a weekly / biweekly basis to discuss progress, planning, and best practices within their classrooms.
- CASA sessions are all collected in our CASA protocol shared folder.
- Admin have been providing feedback to each CASA and have been joining in EOC CASA areas.
- Ms. Evans has done an amazing job of working with our Math 1 and Math 3 CASA areas to ensure alignment and pacing for each classroom / teacher.

Key Data Points:

- We saw positive growth in Math 3 and Biology at the midyear point.
- We have seen an increase in collaboration throughout departments this year in regular CASA sessions.
- First semester failures were lower than previous school years / semesters.

Next Steps:

- We will continue our CASA protocol in the second semester with a heavy focus on preparing students for Math 1 EOCs. We will also make some minor changes to scheduling our CASA sessions based off of feedback from our staff and support. We will continue our walkthroughs throughout this semester in order to gain data for review in our CASA sessions.

Questions
?



ACS Course Updates

February 12, 2026

Sarah Beth Cox
Deanna Wiles

The [NCDPI 2025-2026 Course Code Master List](#) offers 3,200 defined courses.

(There are local course and generic options available if/when needed)

DPI Count of course offerings by grade span:

- 5 PK
- 268 K-5
- 572 6-8
- **2354 9-13**

AHS Courses with at least one student enrolled:

- 25/26: 315 courses
- 24/25: 271 courses



CTE Course Requests and Decision-Making

Federal Perkins V Requirements

- Labor market demand
- High skill, high-wage
- Regular program review

Balanced Data-Informed Approach

- Labor market and workforce data
- Community and economic needs
- Student interest
- Staff licensure, expertise, capacity
- Facilities, equipment, and sustainability

CTE Course Requests and Decision-Making

Key Inputs

Workforce & Community

- Local employers
- Chamber of Commerce
- Economic Development partners
- NC Works

Education & Training Partners

- Business Advisory Council
- Randolph Community College (RCC)
- University of North Carolina Greensboro (UNCG)
- Apprenticeship and internship partners

CTE Local Course Option (LCO)

NCCTE Approval Process

- Draft of standards submitted in October with the goal to be approved prior to the following school year.
- NCCTE reviews the submission to look for standards alignment, documented community need and student interest and duplication in other courses.
- Subsequent revisions may be requested by the state before approval.
- Once approved, the district may offer the course to students.

CTE Course Updates



Coding in Minecraft: Expert Coding



CompTIA Fundamentals



Sustainable Agriculture Production I&II



Medical Assisting



Advanced Coursework Additions



AP Courses

6



Honors Courses

22



Locally Added Courses



High Tech Learning Accelerator



**Blue Comet Leadership Lab: Sports Media
and Civic Engagement**



**Blue Comet Global Innovation Center
Internship**



Questions?



**ASHEBORO CITY
BOARD OF EDUCATION
Asheboro, North Carolina**

*Financial Statements
For the Fiscal Year Ended
June 30, 2025*

ASHEBORO CITY BOARD OF EDUCATION
TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page No.</u>
Independent Auditors' Report		1
Management's Discussion and Analysis		4
Basic Financial Statements:		
Government-wide Financial Statements:		
1	Statement of Net Position.....	12
2	Statement of Activities	13
Fund Financial Statements:		
3	Balance Sheet - Governmental Funds	14
3	Reconciliation of the Balance Sheet to the Statement of Net Position	15
4	Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	16
5	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
6	Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund and Annually Budgeted Major Special Revenue Funds	18
7	Statement of Net Position - Proprietary Fund Types.....	22
8	Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund Types	23
9	Statement of Cash Flows - Proprietary Fund Types	24
Notes to the Basic Financial Statements.....		
Required Supplementary Information		
Schedule of the Board's Proportionate Share of the Net Pension Liability – Teachers' and State Employees' Retirement System.....		
51		
Schedule of Board Contributions – Teachers' and State Employees' Retirement System.....		
52		
Schedule of the Board's Proportionate Share of the Net OPEB Liability – Retiree Health Benefit Fund		
53		
Schedule of Board Contributions – Retiree Health Benefit Fund		
54		
Schedule of the Board's Proportionate Share of the Net OPEB liability (Asset) – Disability Income Plan of North Carolina.....		
55		
Schedule of Board Contributions – Disability Income Plan of North Carolina.....		
56		
Individual Fund Schedules:		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund		
57		
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Individual Schools Fund		
59		
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – Capital Outlay Fund		
60		
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) School Food Service Fund		
61		
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) Child Care Fund		
62		

ASHEBORO CITY BOARD OF EDUCATION
TABLE OF CONTENTS

	<u>Page No.</u>
Compliance Section:	
Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	63
Report on compliance with requirements applicable to each major federal program and internal control over compliance; in accordance with OMB Uniform Guidance and the State Single Audit Implementation Act	65
Report on compliance with requirements applicable to each major state program and internal control over compliance; in accordance with OMB Uniform Guidance and the State Single Audit Implementation Act	68
Schedule of findings and questioned costs	71
Summary schedule of prior audit findings	73
Schedule of expenditures of federal and State awards.....	74



INDEPENDENT AUDITORS' REPORT

To the Asheboro City Board of Education
Asheboro, North Carolina

Report on the Audit of the Financial Statements

Opinions

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, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Asheboro City Board of Education's basic financial statements as listed in the table of contents.

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 Asheboro City Board of Education, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General, State Public School, Federal Grants and Other Special Revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Asheboro City Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 5 to the financial statements, the Board adopted the provisions of GASB Statement No. 101, Compensated Absences, as of July 1, 2024. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Asheboro City Board of Education's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Asheboro City Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Asheboro City Board of Education's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 11 and the Schedules of the Board's Proportionate Share of the Net Pension Liability, OPEB Liability and OPEB liability and the Schedules of Board Contributions on pages 51 through 56, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Asheboro City Board of Education's basic financial statements. The accompanying individual fund budgetary schedules, other schedules and schedule of expenditures of federal and State awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 budgetary 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 January 16, 2026, on our consideration of the Asheboro City Board of Education'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Asheboro City Board of Education's 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 Asheboro City Board of Education's internal control over financial reporting and compliance.

Anderson Smith & Wike PLLC

January 16, 2026
West End, North Carolina
(910) 603-0508

**ASHEBORO CITY BOARD OF EDUCATION
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, 2025. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

- As discussed in Note 5 to the financial statements, effective July 1, 2024, the Board implemented accounting and financial reporting requirements of GASB Statement 101, Compensated Absences. The statement required the Board to begin recording liabilities for employee sick leave balances that are more likely than not to be used. As a result of implementation of this statement, the Board's governmental and business-type activities net position, as previously reported at June 30, 2024, was reduced by \$7.4 million and \$39,000, respectively.
- For the fiscal year ended June 30, 2025, the Board's total government-wide net position (not including the decrease in net position due to the GASB 101 restatement) increased by \$5.5 million. Governmental activities net position increased by \$5.2 million, and business-type activities net position increased by \$299,000.
- The Board's average daily membership (ADM) for the fiscal year ended June 30, 2025 was 4,421 students, an increase of 76 students from the 2024 ADM of 4,345.
- The Board's governmental funds reported a combined fund balance of \$7.0 million at June 30, 2025, an increase of \$774,000 from the amount reported at June 30, 2024.

Overview of the Financial Statements

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

- *Independent Auditors' Report*
- *Management's Discussion and Analysis (required supplementary information)*
- *Basic Financial Statements*
- *Required supplemental section that presents the Schedules of the Board's Proportionate Share of Net Pension and OPEB Liabilities (Assets) and the Schedules of Board Contributions.*
- *Supplementary section that presents individual fund statements and budgetary schedules for governmental and 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, deferred outflows of resources, 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 outflows of resources, 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 is 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

ASHEBORO CITY BOARD OF EDUCATION MANAGEMENT'S DISCUSSION AND ANALYSIS

inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The proprietary funds are 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, 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 each of the financial resources of each of the Board's major funds.

Government-wide Statements

The government-wide statements report information about the unit 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 and liabilities. All 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 is the difference between the Board's assets and liabilities. This is one way to measure the unit'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, you need to consider additional non-financial factors such as changes in the County's and City's property tax bases 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 and city funding along with 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 services are included here.

The government-wide statements are shown as Exhibits 1 and 2 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 - not the unit as a whole. 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 has 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 – 1) how cash and other assets that can readily be converted to cash flow in and out, and 2) 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

**ASHEBORO CITY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

government-wide statements, additional information at the bottom of the governmental fund statements, in the form of a reconciliation, explains the relationship (or differences) between the government-wide and the fund financial statements. The Board has several governmental funds: the General Fund, the State Public School Fund, the Federal Grants Fund, the Other Special Revenue Fund, the Capital Outlay Fund and the Individual Schools Fund.

The governmental fund statements are shown as Exhibits 3, 4, 5 and 6 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. The 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 7, 8, and 9 of this report.

Financial Analysis of the Board as a Whole

Assets and deferred outflows exceeded liabilities and deferred inflows by \$26.1 million as of June 30, 2025 as compared to assets and deferred outflows exceeding liabilities and deferred inflows by \$28.1 million as of June 30, 2024, a decrease of \$2.0 million. The largest component of net position is net investment in capital assets of \$87.4 million. As previously discussed, this decrease is primarily due to the implementation of GASB Statement 101 during the year, which had the effect of reducing beginning of year total primary government net position, as previously reported at June 30, 2024, by \$7.4 million.

Following is a summary of the Statement of Net Position at June 30, 2025 and 2024:

**ASHEBORO CITY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Table 1
Condensed Statement of Net Position
As of June 30, 2025 and 2024

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/25	6/30/24	6/30/25	6/30/24	6/30/25	6/30/24
Current and other assets	\$ 11,571,830	\$ 6,560,934	\$ 3,455,814	\$ 3,105,451	\$ 15,027,644	\$ 9,666,385
Capital assets	87,164,638	83,014,910	235,299	254,078	87,399,937	83,268,988
Total assets	98,736,468	89,575,844	3,691,113	3,359,529	102,427,581	92,935,373
Deferred outflows of resources	27,248,045	24,011,557	128,726	114,697	27,376,771	24,126,254
Current liabilities	7,747,278	1,508,235	115,719	58,433	7,862,997	1,566,668
Long-term liabilities	85,722,812	72,166,024	405,876	352,114	86,128,688	72,518,138
Total liabilities	93,470,090	73,674,259	521,595	410,547	93,991,685	74,084,806
Deferred inflows of resources	9,651,439	14,826,311	45,595	70,822	9,697,034	14,897,133
Net investment in capital assets	87,164,638	83,014,910	235,299	254,078	87,399,937	83,268,988
Restricted net position	3,211,266	2,721,448	318	-	3,211,584	2,721,448
Unrestricted net position (deficit)	(67,512,920)	(60,649,527)	3,017,032	2,738,779	(64,495,888)	(57,910,748)
Total net position	\$ 22,862,984	\$ 25,086,831	\$ 3,252,649	\$ 2,992,857	\$ 26,115,633	\$ 28,079,688

Net position is an indicator of the fiscal health of the Board. Net of the \$7.4 million reduction in beginning of year net position for implementation of GASB 101, the net position of the Board's governmental activities increased \$5.2 million during the year, from \$25.1 million at June 30, 2024 to \$22.9 million at June 30, 2025. Restricted net position increased by \$490,000, primarily due to an increase in the Capital Outlay fund balance. Unrestricted net position decreased \$6.9 million compared to the prior year, due primarily to the implementation of GASB 101. Net investment in capital assets increased \$4.1 million due to an excess of capital additions over depreciation for the year resulting from the middle school renovations that started in the current year. Deferred outflows and inflows of resources relate entirely to the pension and OPEB plans which the Board participates in. The Board is required to record its proportionate share of these items along with its proportionate share of the plan liabilities. See Note 2 of the financial statements for more details regarding these plans.

Net of a reduction of \$39,000 to beginning of year net position for implementation of GASB 101, the net position of the Board's business-type activities increased \$299,000 from \$3.0 million at June 30, 2024 to \$3.3 million at June 30, 2025. This increase is the net profit generated by our school food service fund and the child care operations during the 2025 fiscal year. The following table shows the revenues and expenses for the Board for the current and prior fiscal years:

**ASHEBORO CITY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Table 2
Condensed Statement of Activities
For the Fiscal Years Ended June 30, 2025 and 2024

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/25	6/30/24	6/30/25	6/30/24	6/30/25	6/30/24
Revenues:						
Program revenues:						
Charges for services	\$ 1,862,356	\$ 1,889,424	\$ 320,799	\$ 368,870	\$ 2,183,155	\$ 2,258,294
Operating grants and contributions	40,394,929	42,659,256	3,323,561	3,489,706	43,718,490	46,148,962
General revenues:						
County and City appropriations	13,427,559	14,325,016	-	-	13,427,559	14,325,016
State appropriations	9,024,916	2,328,608	-	-	9,024,916	2,328,608
Other revenues	683,014	984,610	41,375	22,544	724,389	1,007,154
Total revenues	65,392,774	62,186,914	3,685,735	3,881,120	69,078,509	66,068,034
Expenses:						
Governmental activities:						
Instructional services	48,612,388	47,654,127	-	-	48,612,388	47,654,127
System-wide support services	10,727,928	9,459,831	-	-	10,727,928	9,459,831
Ancillary services	670	18,195	-	-	670	18,195
Non-programmed charges	781,183	724,661	-	-	781,183	724,661
Unallocated depreciation	64,257	164,845	-	-	64,257	164,845
Business-type activities:						
School food service	-	-	3,302,672	3,668,596	3,302,672	3,668,596
Child care	-	-	128,933	179,849	128,933	179,849
Total expenses	60,186,426	58,021,659	3,431,605	3,848,445	63,618,031	61,870,104
Excess (deficiency)						
before transfers	5,206,348	4,165,255	254,130	32,675	5,460,478	4,197,930
Transfers in (out)	(45,000)	(45,000)	45,000	45,000	-	-
Increase in net position	5,161,348	4,120,255	299,130	77,675	5,460,478	4,197,930
Beginning net position, as previously reported	25,086,831	20,966,576	2,992,857	2,915,182	28,079,688	23,881,758
Change in accounting principle (Note 5)	(7,385,195)	-	(39,338)	-	(7,424,533)	-
Beginning net position, restated	17,701,636	20,966,576	2,953,519	2,915,182	20,655,155	23,881,758
Ending net position	\$ 22,862,984	\$ 25,086,831	\$ 3,252,649	\$ 2,992,857	\$ 26,115,633	\$ 28,079,688

For the year ended June 30, 2025, total governmental activities generated revenues of \$65.4 million, expenses of \$60.2 million and transfers out of \$45,000 resulting in an increase in net position of \$5.2 million. Comparatively, revenues were \$62.2 million, expenses totaled \$58.0 million and transfers out were \$45,000 for the year ended June 30, 2024, resulting in an increase in net position of \$4.1 million. The increase in revenues is a result of increases in the Capital funds received from State Lottery funds and the County to fund construction of a middle school expansion. The increase in expenses is due to the increase in pension and OPEB related expenses of \$2.6 million.

ASHEBORO CITY BOARD OF EDUCATION MANAGEMENT'S DISCUSSION AND ANALYSIS

The Board's primary sources of revenues were funding from the State of North Carolina, Randolph County, and the United States Government, which respectively comprised 67.3%, 14.5% and 6.6% of our total revenues. As would be expected, the major component of our expenditures was instructional services which accounted for 70.8% of our total expenditures during the most recent fiscal year. Of the remaining 29.2% of our total expenditures, 16.0% was attributable to system-wide support services.

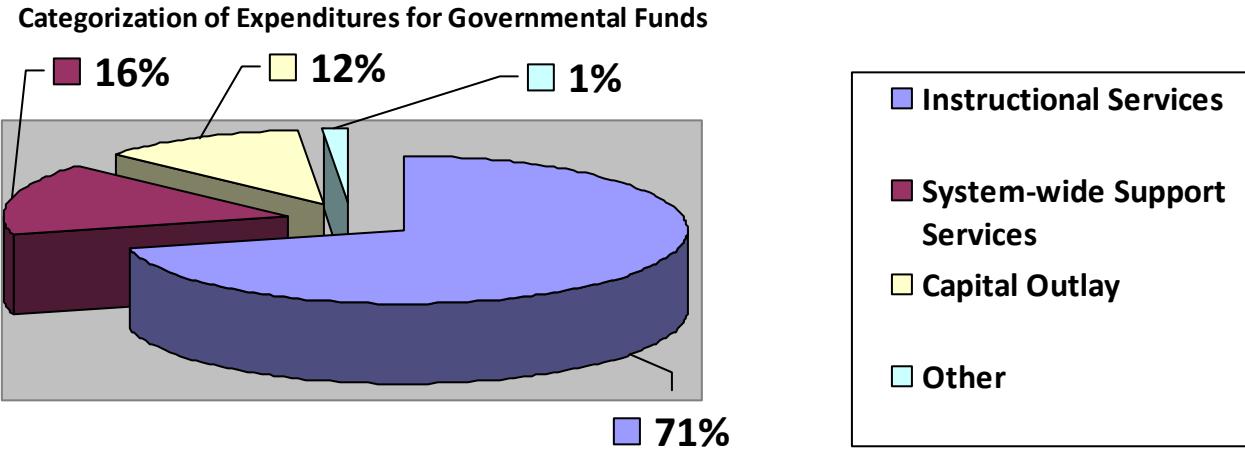
Our business-type activities generated revenues of \$3.7 million, while expenses in this category totaled \$3.4 million for the year ended June 30, 2025. For the year, net position increased by \$299,000 (including transfers in of \$45,000). Comparatively, revenues and expenses were \$3.9 million and \$3.8 million respectively with transfers in of \$45,000 for the year ended June 30, 2024, resulting in an increase in net position of \$78,000.

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 \$7.0 million at June 30, 2025, an increase of \$774,000 from the amount reported at June 30, 2024. The Board's Other Special Revenue, Capital Outlay and Individual Schools funds all reported revenues over expenditures for the year ended June 30, 2025 of \$8,000, \$799,000, and \$35,000, respectively. The Board's General fund reported expenditures over revenues of \$68,000. Overall, total governmental fund revenues increased by \$3.0 million or 4.8%, from the prior year, while total expenditures increased by \$311,000, or 0.5%, the change from the previous year is primarily due to increased Capital Outlay related to Needs-Based Lottery funded capital renovations at the Middle School offset by a decrease in federal funds related to the Expiration of the CVOID-19 Education Stabilization funds.

The following chart summarizes governmental fund expenditures:



Expenditures presented on modified accrual basis of accounting.

Proprietary Funds: The Board's business-type funds, the School Food Service Fund and the Child Care Fund, reported a combined increase in net position of \$299,000 for the fiscal year ended June 30, 2025, compared to an increase of \$78,000 for the same 2024 period. The net income in the School Food Service Fund (including transfers in) was \$241,000 for the fiscal year ended June 30, 2025, compared to a net income of \$31,000 for 2024, an improvement of \$210,000 resulting from a decrease in expenses due to a decrease in contracted services. The decrease in contracted services was partially offset by an increase in both food costs due to inflation. The Child Care Fund reported a net income of \$58,000 in

**ASHEBORO CITY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

2025 compared to a net income of \$46,000 in 2024, an improvement of \$11,000, due to a decrease in salaries and benefits and a reduction in the food costs expenses paid by the program.

General Fund Budgetary Highlights

Over the course of the year, the Board revised the budget several times to account for changes in revenue expectations and program allocations. Since several revenue sources are either unknown or uncertain at the beginning of the fiscal year when the original budget is adopted, budget revisions are necessary throughout the year to recognize these adjustments.

Capital Assets

Total primary government capital assets were \$87.4 million at June 30, 2025 compared to \$83.3 million at June 30, 2024, an increase of \$4.1 million due to an excess of capital additions over depreciation expense for the year. More detailed information about the Board's capital assets is contained in the notes to the basic financial statements. The following is a summary of the Board's capital assets, net of depreciation, at June 30, 2025 and 2024.

Table 3
Summary of Capital Assets
As of June 30, 2025 and 2024

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>6/30/25</u>	<u>6/30/24</u>	<u>6/30/25</u>	<u>6/30/24</u>	<u>6/30/25</u>	<u>6/30/24</u>
Land	\$ 3,067,012	\$ 3,067,012	\$ -	\$ -	\$ 3,067,012	\$ 3,067,012
Construction in progress	7,314,680	34,000	-	-	7,314,680	34,000
Buildings and improvements	75,381,960	78,705,784	-	-	75,381,960	78,705,784
Equipment and furniture	971,908	989,318	235,299	254,078	1,207,207	1,243,396
Vehicles	429,078	218,796	-	-	429,078	218,796
Total	\$ 87,164,638	\$ 83,014,910	\$ 235,299	\$ 254,078	\$ 87,399,937	\$ 83,268,988

Economic Factors

County and Supplemental Tax funding are a major source of income for the Board; therefore, the local area's economic outlook directly affects that of the Board's. Asheboro and Randolph County continue to feel the effects of the pandemic. Our unemployment rate was 3.9% at June 30, 2025 while the State and national rates were 3.7% and 4.1%, respectively.

Our local school district's supplemental tax provides approximately 28.3% of our funding for local budgets. These funds are critical for the effective operation of the school district. The Board has maintained a healthy fund balance over the years, but the long-term financial impact of the Coronavirus pandemic remains unknown, the district will continue to face some challenging funding decisions in the future.

**ASHEBORO CITY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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:

Sandra Annette Spivey, CPA
Chief Financial Officer
Asheboro City Board of Education
1126 S. Park St.
Asheboro, NC 27203

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF NET POSITION
June 30, 2025**

Exhibit 1

	Primary Government		
			Total
	Governmental Activities	Business-type Activities	
Assets			
Cash and cash equivalents	\$ 7,497,766	\$ 3,325,980	\$ 10,823,746
Due from other governments	3,968,631	107,404	4,076,035
Receivables	45,137	-	45,137
Internal balances	12,240	(12,240)	-
Inventories	-	34,443	34,443
Net OPEB asset	48,056	227	48,283
Capital assets:			
Land and construction in progress	10,381,692	-	10,381,692
Other capital assets, net of depreciation	76,782,946	235,299	77,018,245
Total capital assets	<u>87,164,638</u>	<u>235,299</u>	<u>87,399,937</u>
Total assets	<u>98,736,468</u>	<u>3,691,113</u>	<u>102,379,298</u>
Deferred Outflows of Resources	<u>27,248,045</u>	<u>128,726</u>	<u>27,376,771</u>
Liabilities			
Accounts payable and accrued expenses	4,498,245	85,202	4,583,447
Unearned revenue	-	14,781	14,781
Long-term liabilities:			
Due within one year	3,249,033	15,736	3,264,769
Due in more than one year	7,581,076	36,717	7,617,793
Net pension liability	24,801,521	117,168	24,918,689
Net OPEB liability	<u>53,340,215</u>	<u>251,991</u>	<u>53,592,206</u>
Total liabilities	<u>93,470,090</u>	<u>521,595</u>	<u>93,991,685</u>
Deferred Inflows of Resources	<u>9,651,439</u>	<u>45,595</u>	<u>9,697,034</u>
Net position			
Investment in capital assets	87,164,638	235,299	87,399,937
Restricted for:			
Stabilization by State statute	136,095	-	136,095
School capital outlay	2,560,532	-	2,560,532
Programs	129,396	-	129,396
Individual schools activities	317,908	-	317,908
DIPNC OPEB plan	67,335	318	67,653
Unrestricted (deficit)	<u>(67,512,920)</u>	<u>3,017,032</u>	<u>(64,495,888)</u>
Total net position	<u>\$ 22,862,984</u>	<u>\$ 3,252,649</u>	<u>\$ 26,115,633</u>

The notes to the basic financial statements are an integral part of this statement.

ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2025

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
					Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
Instructional services:								
Regular instructional	\$ 27,307,873	\$ -	\$ 20,911,068	\$ -	\$ (6,396,805)	\$ -	\$ (6,396,805)	
Special populations	8,204,055	-	7,694,524	-	(509,531)	-	(509,531)	
Alternative programs	4,033,088	-	2,745,976	-	(1,287,112)	-	(1,287,112)	
School leadership	3,575,231	-	2,941,984	-	(633,247)	-	(633,247)	
Co-curricular	1,476,661	1,170,330	-	-	(306,331)	-	(306,331)	
School-based support	4,015,480	-	3,155,461	-	(860,019)	-	(860,019)	
System-wide support services:								
Support and development	530,258	-	355,696	-	(174,562)	-	(174,562)	
Special population support and development	241,326	-	156,145	-	(85,181)	-	(85,181)	
Alternative programs and services								
support and development	(794)	-	-	-	794	-	794	
Technology support	782,365	-	45,356	-	(737,009)	-	(737,009)	
Operational support	6,214,115	-	1,713,864	-	(4,500,251)	-	(4,500,251)	
Financial and human resource services	1,543,090	692,026	177,571	-	(673,493)	-	(673,493)	
Accountability	99,287	-	2,443	-	(96,844)	-	(96,844)	
System-wide pupil support	227,219	-	37,164	-	(190,055)	-	(190,055)	
Policy, leadership and public relations	1,091,062	-	361,267	-	(729,795)	-	(729,795)	
Ancillary services	670	-	-	-	(670)	-	(670)	
Non-programmed charges	781,183	-	96,410	-	(684,773)	-	(684,773)	
Unallocated depreciation expense**	64,257	-	-	-	(64,257)	-	(64,257)	
Total governmental activities	60,186,426	1,862,356	40,394,929	-	(17,929,141)	-	(17,929,141)	
Business-type activities:								
School food service	3,302,672	133,951	3,323,561	-	-	154,840	154,840	
Child care	128,933	186,848	-	-	-	57,915	57,915	
Total business-type activities	3,431,605	320,799	3,323,561	-	-	212,755	212,755	
Total primary government	\$ 63,618,031	\$ 2,183,155	\$ 43,718,490	\$ -	(17,929,141)	212,755	(17,716,386)	
General revenues:								
Unrestricted county and city appropriations - operating					11,266,257	-	11,266,257	
Unrestricted county and city appropriations - capital					2,161,302	-	2,161,302	
Unrestricted State appropriations - operating					2,909,863	-	2,909,863	
Unrestricted State appropriations - capital					6,115,053	-	6,115,053	
Investment earnings, unrestricted					46,576	9,628	56,204	
Miscellaneous, unrestricted					636,438	31,747	668,185	
Transfers					(45,000)	45,000	-	
Total general revenues					23,090,489	86,375	23,176,864	
Change in net position					5,161,348	299,130	5,460,478	
Net position - beginning, as previously reported					25,086,831	2,992,857	28,079,688	
Change in accounting principle (Note 5)					(7,385,195)	(39,338)	(7,424,533)	
Net position - beginning, as restated					17,701,636	2,953,519	20,655,155	
Net position - ending					\$ 22,862,984	\$ 3,252,649	\$ 26,115,633	

**This amount excludes the depreciation that is included in the direct expenses of the various programs.

FUND FINANCIAL STATEMENTS

ASHEBORO CITY BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

Exhibit 3

	Major Funds					Non-major Fund		Total Governmental Funds
	General	State Public School	Federal Grants	Other Special Revenue	Capital Outlay	Individual Schools		
Assets								
Cash and cash equivalents	\$ 3,895,136	\$ -	\$ -	\$ 587,270	\$ 2,697,452	\$ 317,908	\$ 7,497,766	
Due from other governments	67,339	-	-	7,060	3,894,232	-	3,968,631	
Accounts receivable	22,797	-	-	17,710	4,630	-	45,137	
Due from other funds	-	-	-	21,189	-	-	21,189	
Total assets	\$ 3,985,272	\$ -	\$ -	\$ 633,229	\$ 6,596,314	\$ 317,908	\$ 11,532,723	
Liabilities and Fund balances								
Liabilities:								
Accounts payable and accrued liabilities	\$ 311,690	\$ -	\$ -	\$ 150,773	\$ 4,035,782	\$ -	\$ 4,498,245	
Due to other funds	8,949	-	-	-	-	-	8,949	
Total liabilities	320,639	-	-	150,773	4,035,782	-	4,507,194	
Fund balances:								
Restricted:								
Stabilization by State statute	90,136	-	-	45,959	-	-	136,095	
School capital outlay	-	-	-	-	2,560,532	-	2,560,532	
Programs	-	-	-	129,396	-	-	129,396	
Individual schools	-	-	-	-	-	317,908	317,908	
Assigned:								
Subsequent year's expenditures	500,000	-	-	-	-	-	500,000	
Special revenues	-	-	-	307,101	-	-	307,101	
Unassigned	3,074,497	-	-	-	-	-	3,074,497	
Total fund balances	3,664,633	-	-	482,456	2,560,532	317,908	7,025,529	
Total liabilities and fund balances	\$ 3,985,272	\$ -	\$ -	\$ 633,229	\$ 6,596,314	\$ 317,908	\$ 11,532,723	

The notes to the basic financial statements are an integral part of this statement.

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

Total fund balance (All Governmental Funds)	\$ 7,025,529
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	87,164,638
Net OPEB asset	48,056
Deferred outflows of resources related to pensions	11,284,864
Deferred outflows of resources related to OPEB	15,963,181
Some liabilities, including those for compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	(10,830,109)
Net pension liability	(24,801,521)
Net OPEB liability	(53,340,215)
Deferred inflows of resources related to pensions	(1,040,156)
Deferred inflows of resources related to OPEB	<u>(8,611,283)</u>
Net position of governmental activities	<u>\$ 22,862,984</u>

ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2025

Exhibit 4

	Major Funds					Non-major Fund		Total Governmental Funds
	General	State Public School	Federal Grants	Other Special Revenue	Capital Outlay	Individual Schools		
Revenues:								
State of North Carolina	\$ -	\$ 37,770,047	\$ -	\$ 158,500	\$ 6,115,053	\$ -	\$ 44,043,600	
Randolph County								
Local current expense	7,345,530	-	-	-	-	-	7,345,530	
Other	-	-	-	-	2,161,302	-	2,161,302	
U.S. Government	-	-	4,273,063	79,438	-	-	4,352,501	
Other	4,263,918	-	-	2,024,714	127,289	1,170,330	7,586,251	
Total revenues	11,609,448	37,770,047	4,273,063	2,262,652	8,403,644	1,170,330	65,489,184	
Expenditures:								
Current:								
Instructional services:								
Regular instructional	2,556,979	21,085,275	301,687	474,123	-	-	24,418,064	
Special populations	859,839	5,803,476	1,131,716	447,161	-	-	8,242,192	
Alternative programs	547,228	706,919	2,088,757	710,351	-	-	4,053,255	
School leadership	524,355	3,072,931	261	-	-	-	3,597,547	
Co-curricular	336,746	-	-	-	-	1,134,987	1,471,733	
School-based support	342,420	3,074,170	439,459	175,087	-	-	4,031,136	
System-wide support services:								
Support and development	115,099	305,402	113,051	-	-	-	533,552	
Special population support and development	11,845	154,977	1,168	74,720	-	-	242,710	
Alternative programs and services								
support and development	-	-	-	-	-	-	-	
Technology support	294,475	490,712	-	-	-	-	785,187	
Operational support	4,230,423	1,568,310	100,554	373,599	-	-	6,272,886	
Financial and human resource services	391,984	724,764	-	-	-	-	1,116,748	
Accountability	10,458	89,421	-	-	-	-	99,879	
System-wide pupil support	130,642	97,711	-	-	-	-	228,353	
Policy, leadership and public relations	543,166	550,979	-	-	-	-	1,094,145	
Ancillary services	670	-	-	-	-	-	670	
Non-programmed charges	781,183	-	96,410	-	-	-	877,593	
Capital outlay	-	-	-	-	7,604,452	-	7,604,452	
Total expenditures	11,677,512	37,725,047	4,273,063	2,255,041	7,604,452	1,134,987	64,670,102	
Revenues over (under) expenditures	(68,064)	45,000	-	7,611	799,192	35,343	819,082	
Other financing sources (uses):								
Transfers from (to) other funds	-	(45,000)	-	-	-	-	(45,000)	
Net change in fund balance	(68,064)	-	-	7,611	799,192	35,343	774,082	
Fund balances:								
Beginning of year	3,732,697	-	-	474,845	1,761,340	282,565	6,251,447	
End of year	\$ 3,664,633	\$ -	\$ -	\$ 482,456	\$ 2,560,532	\$ 317,908	\$ 7,025,529	

The notes to the basic financial statements are an integral part of this statement.

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 Fiscal Year Ended June 30, 2025

Exhibit 5

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

Net changes in fund balances - total governmental funds	\$ 774,082
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	4,582,649
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	4,960,162
Contributions to the OPEB plans in the current fiscal year are not included on the Statement of Activities	2,103,417
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Loss on disposal of capital assets	(432,921)
OPEB nonemployer contributions	16,228
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.	
Net OPEB (expense) benefit	(591,917)
Pension (expense) benefit	(5,977,786)
Compensated absences	<u>(272,566)</u>
Total changes in net position of governmental activities	<u>\$ 5,161,348</u>

The notes to the basic financial statements are an integral part of this statement.

ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2025

Exhibit 6

	General Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Randolph County	7,342,158	7,342,158	7,345,530	3,372
U.S. Government	-	-	-	-
Other	4,170,000	4,170,000	4,263,918	93,918
Total revenues	11,512,158	11,512,158	11,609,448	97,290
Expenditures:				
Current:				
Instructional services				
Regular instructional	3,839,745	2,586,758	2,556,979	29,779
Special populations	824,400	887,047	859,839	27,208
Alternative programs	287,800	573,440	547,228	26,212
School leadership	403,613	533,088	524,355	8,733
Co-curricular	287,400	349,578	336,746	12,832
School-based support	578,600	440,519	342,420	98,099
Instructional services	6,221,558	5,370,430	5,167,567	202,863
System-wide support services				
Support and development	118,400	120,530	115,099	5,431
Special population support and development	98,900	13,360	11,845	1,515
Alternative programs and services	10,300	-	-	-
Technology support	208,600	304,961	294,475	10,486
Operational support	4,329,700	4,773,836	4,230,423	543,413
Financial and human resource services	375,000	615,409	391,984	223,425
Accountability	10,900	11,867	10,458	1,409
System-wide pupil support services	39,400	141,351	130,642	10,709
Policy, leadership and public relations	621,100	624,729	543,166	81,563
System-wide support services	5,812,300	6,606,043	5,728,092	877,951
Ancillary services				
Community	-	-	-	-
Nutrition	-	685	670	15
Ancillary services	-	685	670	15
Nonprogrammed charges	728,300	785,000	781,183	3,817
Total expenditures	12,762,158	12,762,158	11,677,512	1,084,646
Excess (deficiency) of revenues over expenditures	(1,250,000)	(1,250,000)	(68,064)	1,181,936
Other financing uses:				
Transfers to other funds	-	-	-	-
Fund balance appropriated	1,250,000	1,250,000	-	(1,250,000)
Net change in fund balance	\$ -	\$ -	(68,064)	\$ (68,064)
Fund balances:				
Beginning of year			3,732,697	
End of year			\$ 3,664,633	

The notes to the basic financial statements are an integral part of this statement.

**ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2025**

Exhibit 6 (continued)

	State Public School Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
State of North Carolina	\$ 38,892,840	\$ 40,903,453	\$ 37,770,047	\$ (3,133,406)
Randolph County	-	-	-	-
U.S. Government	-	-	-	-
Other	-	-	-	-
Total revenues	<u>38,892,840</u>	<u>40,903,453</u>	<u>37,770,047</u>	<u>(3,133,406)</u>
Expenditures:				
Current:				
Instructional services				
Regular instructional	22,534,722	23,020,301	21,085,275	1,935,026
Special populations	5,885,946	6,080,673	5,803,476	277,197
Alternative programs	813,500	848,804	706,919	141,885
School leadership	3,067,800	3,350,658	3,072,931	277,727
Co-curricular	-	-	-	-
School-based support	<u>2,697,588</u>	<u>3,410,198</u>	<u>3,074,170</u>	<u>336,028</u>
Instructional services	<u>34,999,556</u>	<u>36,710,634</u>	<u>33,742,771</u>	<u>2,967,863</u>
System-wide support services				
Support and development	295,873	314,071	305,402	8,669
Special population support and development	54,636	169,556	154,977	14,579
Alternative programs and services	59,500	-	-	-
Technology support	484,960	570,228	490,712	79,516
Operational support	1,418,615	1,594,945	1,568,310	26,635
Financial and human resource services	762,100	742,184	724,764	17,420
Accountability	82,200	92,628	89,421	3,207
System-wide pupil support services	175,700	105,011	97,711	7,300
Policy, leadership and public relations	514,700	559,196	550,979	8,217
System-wide support services	<u>3,848,284</u>	<u>4,147,819</u>	<u>3,982,276</u>	<u>165,543</u>
Ancillary services				
Community	-	-	-	-
Nutrition	-	-	-	-
Ancillary services	-	-	-	-
Nonprogrammed charges	-	-	-	-
Total expenditures	<u>38,847,840</u>	<u>40,858,453</u>	<u>37,725,047</u>	<u>3,133,406</u>
Excess (deficiency) of revenues over expenditures	45,000	45,000	45,000	-
Other financing uses:				
Transfers to other funds	(45,000)	(45,000)	(45,000)	-
Fund balance appropriated	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances:				
Beginning of year				-
End of year				<u>\$ -</u>

The notes to the basic financial statements are an integral part of this statement.

**ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2025**

Exhibit 6 (continued)

	Federal Grants Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Randolph County	-	-	-	-
U.S. Government	5,366,035	5,501,045	4,273,063	(1,227,982)
Other	-	-	-	-
Total revenues	<u>5,366,035</u>	<u>5,501,045</u>	<u>4,273,063</u>	<u>(1,227,982)</u>
Expenditures:				
Current:				
Instructional services				
Regular instructional	575,394	399,262	301,687	97,575
Special populations	1,685,625	1,472,531	1,131,716	340,815
Alternative programs	2,035,717	2,352,645	2,088,757	263,888
School leadership	10,000	10,761	261	10,500
Co-curricular	-	-	-	-
School-based support	548,758	733,820	439,459	294,361
Instructional services	<u>4,855,494</u>	<u>4,969,019</u>	<u>3,961,880</u>	<u>1,007,139</u>
System-wide support services				
Support and development	20,000	162,691	113,051	49,640
Special population support and development	5,000	1,100	1,168	(68)
Alternative programs and services	-	-	-	-
Technology support	5,000	-	-	-
Operational support	145,000	119,615	100,554	19,061
Financial and human resource services	-	-	-	-
Accountability	-	-	-	-
System-wide pupil support services	-	-	-	-
Policy, leadership and public relations	-	-	-	-
System-wide support services	<u>175,000</u>	<u>283,406</u>	<u>214,773</u>	<u>68,633</u>
Ancillary services				
Community	-	-	-	-
Nutrition	-	-	-	-
Ancillary services	-	-	-	-
Nonprogrammed charges	<u>335,541</u>	<u>248,620</u>	<u>96,410</u>	<u>152,210</u>
Total expenditures	<u>5,366,035</u>	<u>5,501,045</u>	<u>4,273,063</u>	<u>1,227,982</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing uses:				
Transfers to other funds	-	-	-	-
Fund balance appropriated	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances:				
Beginning of year				-
End of year				<u>\$ -</u>

The notes to the basic financial statements are an integral part of this statement.

**ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2025**

Exhibit 6 (continued)

	Other Special Revenue Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
State of North Carolina	\$ 158,500	\$ 158,500	\$ 158,500	\$ -
Randolph County	-	-	-	-
U.S. Government	57,000	79,438	79,438	-
Other	<u>3,395,690</u>	<u>2,414,711</u>	<u>2,024,714</u>	<u>(389,997)</u>
Total revenues	<u>3,611,190</u>	<u>2,652,649</u>	<u>2,262,652</u>	<u>(389,997)</u>
Expenditures:				
Current:				
Instructional services				
Regular instructional	1,359,885	507,730	474,123	33,607
Special populations	418,300	474,682	447,161	27,521
Alternative programs	624,900	712,693	710,351	2,342
School leadership	-	-	-	-
Co-curricular	-	-	-	-
School-based support	<u>219,300</u>	<u>357,674</u>	<u>175,087</u>	<u>182,587</u>
Instructional services	<u>2,622,385</u>	<u>2,052,779</u>	<u>1,806,722</u>	<u>246,057</u>
System-wide support services				
Support and development	-	-	-	-
Special population support and development	74,900	74,720	74,720	-
Alternative programs and services	-	-	-	-
Technology support	-	-	-	-
Operational support	905,200	995,388	373,599	621,789
Financial and human resource services	-	-	-	-
Accountability	-	-	-	-
System-wide pupil support services	-	-	-	-
Policy, leadership and public relations	-	-	-	-
System-wide support services	<u>980,100</u>	<u>1,070,108</u>	<u>448,319</u>	<u>621,789</u>
Ancillary services				
Community	-	-	-	-
Nutrition	<u>8,705</u>	<u>8,705</u>	-	<u>8,705</u>
Ancillary services	<u>8,705</u>	<u>8,705</u>	-	<u>8,705</u>
Nonprogrammed charges	-	-	-	-
Total expenditures	<u>3,611,190</u>	<u>3,131,592</u>	<u>2,255,041</u>	<u>876,551</u>
Excess (deficiency) of revenues over expenditures	-	(478,943)	7,611	486,554
Other financing uses:				
Transfers to other funds	-	-	-	-
Fund balance appropriated	-	478,943	-	(478,943)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>7,611</u>	<u>\$ 7,611</u>
Fund balances:				
Beginning of year			474,845	
End of year			<u>\$ 482,456</u>	

The notes to the basic financial statements are an integral part of this statement.

**ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPES
June 30, 2025**

Exhibit 7

	Enterprise		
	Major Funds		Totals
	School Food Service	Child Care	
Assets			
Current assets:			
Cash and cash equivalents	\$ 3,085,910	\$ 240,070	\$ 3,325,980
Due from other governments	107,404	-	107,404
Due from other funds	20,135	-	20,135
Inventories	34,443	-	34,443
Total current assets	<u>3,247,892</u>	<u>240,070</u>	<u>3,487,962</u>
Noncurrent assets:			
Net OPEB asset	227	-	227
Capital assets:			
Furniture, equipment and vehicles, net	<u>235,299</u>	<u>-</u>	<u>235,299</u>
Total noncurrent assets	<u>235,526</u>	<u>-</u>	<u>235,526</u>
Total assets	<u>3,483,418</u>	<u>240,070</u>	<u>3,723,488</u>
Deferred Outflows of Resources	<u>128,726</u>	<u>-</u>	<u>128,726</u>
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	84,566	636	85,202
Due to other funds	21,189	11,186	32,375
Compensated absences	13,205	2,531	15,736
Unearned revenue	14,781	-	14,781
Total current liabilities	<u>133,741</u>	<u>14,353</u>	<u>148,094</u>
Noncurrent liabilities:			
Net pension liability	117,168	-	117,168
Net OPEB liability	251,991	-	251,991
Compensated absences	30,813	5,904	36,717
Total noncurrent liabilities	<u>399,972</u>	<u>5,904</u>	<u>405,876</u>
Total liabilities	<u>533,713</u>	<u>20,257</u>	<u>553,970</u>
Deferred Inflows of Resources	<u>45,595</u>	<u>-</u>	<u>45,595</u>
Net position			
Net investment in capital assets	235,299	-	235,299
Restricted for DIPNC OPEB plan	318	-	318
Unrestricted	<u>2,797,219</u>	<u>219,813</u>	<u>3,017,032</u>
Total net position	<u>\$ 3,032,836</u>	<u>\$ 219,813</u>	<u>\$ 3,252,649</u>

The notes to the basic financial statements are an integral part of this statement.

**ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 2025**

Exhibit 8

	Enterprise		
	Major Fund		
	School Food Service	Child Care	Totals
Operating revenues:			
Food sales	\$ 133,951	\$ -	\$ 133,951
Child care fees	-	186,848	186,848
Other	31,747	-	31,747
Total operating revenues	165,698	186,848	352,546
Operating expenses:			
Food cost:			
Purchase of food	1,557,895	751	1,558,646
Donated commodities	198,540	-	198,540
Salaries and benefits	1,242,047	43,661	1,285,708
Indirect costs	105,164	-	105,164
Materials and supplies	89,580	5,653	95,233
Depreciation	39,848	-	39,848
Non-capitalized equipment	26,700	-	26,700
Contracted services	28,157	78,868	107,025
Other	14,741	-	14,741
Total operating expenses	3,302,672	128,933	3,431,605
Operating income (loss)	(3,136,974)	57,915	(3,079,059)
Nonoperating revenues:			
Federal reimbursements	3,125,021	-	3,125,021
Federal commodities	198,540	-	198,540
Interest earned	9,628	-	9,628
Total nonoperating revenues	3,333,189	-	3,333,189
Income before transfers	196,215	57,915	254,130
Transfers from other funds	45,000	-	45,000
Change in net position	241,215	57,915	299,130
Net position, beginning of year	2,810,418	182,439	2,992,857
Change in accounting principle (Note 5)	(18,797)	(20,541)	(39,338)
Net position, beginning of year, as restated	2,791,621	161,898	2,953,519
Net position, end of year	\$ 3,032,836	\$ 219,813	\$ 3,252,649

The notes to the basic financial statements are an integral part of this statement.

**ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 2025**

Exhibit 9

	Enterprise		
	Major Fund	Non-major Fund	
	School Food Service	Child Care	Totals
Cash flows from operating activities:			
Cash received from customers	\$ 164,157	\$ 187,782	\$ 351,939
Cash paid for goods and services	(1,724,265)	(84,636)	(1,808,901)
Cash paid to employees for services	(1,185,691)	(69,071)	(1,254,762)
Net cash provided (used) by operating activities	<u>(2,745,799)</u>	<u>34,075</u>	<u>(2,711,724)</u>
Cash flows from noncapital financing activities:			
Due to other funds	17,074	-	17,074
Due from other funds	(8,949)	-	(8,949)
Federal and State reimbursements	<u>3,099,405</u>	<u>-</u>	<u>3,099,405</u>
Net cash provided by noncapital activities	<u>3,107,530</u>	<u>-</u>	<u>3,107,530</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	<u>(21,069)</u>	<u>-</u>	<u>(21,069)</u>
Cash flows from investing activities:			
Interest earned on investments	<u>9,628</u>	<u>-</u>	<u>9,628</u>
Net increase in cash and cash equivalents	350,290	34,075	384,365
Cash and cash equivalents, beginning of year	<u>2,735,620</u>	<u>205,995</u>	<u>2,941,615</u>
Cash and cash equivalents, end of year	<u>\$ 3,085,910</u>	<u>\$ 240,070</u>	<u>\$ 3,325,980</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	<u>\$ (3,136,974)</u>	<u>\$ 57,915</u>	<u>\$ (3,079,059)</u>
Adjustments to reconcile operating income (loss) to net cash used by operating activities:			
Depreciation	39,848	-	39,848
Donated commodities	198,540	-	198,540
Salaries paid by special revenue fund	45,000	-	45,000
Changes in assets and liabilities:			
Decrease in accounts receivable	-	934	934
Decrease in inventories	50,786	-	50,786
Increase in accounts payable and accrued liabilities	47,186	636	47,822

The notes to the basic financial statements are an integral part of this statement.

**ASHEBORO CITY BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 2025**

Exhibit 9 (continued)

	Enterprise		
	Major Fund	Non-major Fund	
	School Food Service	Child Care	Totals
Reconciliation of operating (income) loss to net cash provided (used) by operating activities (continued):			
Decrease in unearned revenue	(1,541)	-	(1,541)
Decrease in pension liability	(20,885)	-	(20,885)
Increase in OPEB liability	54,755	-	54,755
Increase in deferred outflow	(14,029)	-	(14,029)
Decrease in deferred inflow	(25,227)	-	(25,227)
Increase (decrease) in compensated absences payable	16,969	(25,410)	(8,441)
Total adjustments	<u>391,175</u>	<u>(23,840)</u>	<u>367,335</u>
Net cash provided (used) by operating activities	<u>\$ (2,745,799)</u>	<u>\$ 34,075</u>	<u>\$ (2,711,724)</u>

NONCASH OPERATING AND NONCAPITAL FINANCING ACTIVITIES:

The School Food Service Fund received donated commodities with a value of \$198,540 during the fiscal year. The receipt of these commodities is reflected as a nonoperating revenue on Exhibit 8. The consumption of these commodities is recorded as an operating expense.

The State Public School Fund paid salaries and benefits of \$45,000 to personnel of the School Food Service Fund during the fiscal year. The payment is reflected as a transfer in and an operating expense on Exhibit 8.

The notes to the basic financial statements are an integral part of this statement.

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of 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 (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 State, local, and federal government funding and must adhere to the legal requirements of each funding entity. The Board has no component units.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the Board. These statements include the financial activities of the overall government. 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. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. All expenses are considered to be operating expenses.

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 accounted for in another fund.

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 U.S. Government for the current operating expenditures of the public school system.

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

Other Special Revenue Fund. The Other Special Revenue Fund is used to account for revenues from reimbursements, including indirect costs, fees for actual costs, tuition, sales tax refunds, gifts and grants restricted as to use, federal and State grants restricted as to use, federal and State appropriations made directly to local school administrative units, funds received for prekindergarten programs and special programs.

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 trust funds). It is mandated by State law [G.S.115C-426]. Capital projects are funded by Randolph County appropriations, restricted sales tax moneys, proceeds of county debt issued for public school construction, lottery proceeds as well as certain State assistance.

The Board reports the following nonmajor governmental funds:

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 Board reports the following major enterprise funds:

School Food Service Fund. The School Food Service Fund is used to account for the food service program within the school system.

Child Care Fund. The Child Care Fund is used to account for the before and after school child care program within the school system.

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 as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under leases qualifying as other than short-term 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.

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

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 fund level for all annually budgeted funds. The budget is presented in the accompanying financial statements and schedules at the purpose level for informational purposes only. The Board has authorized the Superintendent to move moneys 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 Board of Education. 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.

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. The STIF 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.

The Board's investments are reported at amortized cost or at fair value as determined by quoted market prices or a matrix pricing model. Bank deposits and the NCCMT are measured at amortized cost, which is the NCCMT's share price. Ownership interest of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. Valuation of the underlying assets is performed by the custodian. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to external participants of the fund.

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

The inventories of the Board are valued at cost and the Board uses the first-in, first-out (FIFO) flow assumption in determining cost. Proprietary Fund inventories consist of food and supplies and are recorded as expenses when consumed.

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

4. Capital Assets

Donated assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation or forfeiture. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other capital assets are recorded at original cost. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. Certain items acquired before July 1, 1990 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 \$5,000 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 and improvements	20 - 50
Equipment and furniture	3 - 12
Vehicles	6
Technology equipment	5

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

5. Deferred outflows and inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Board has one item that meets this criterion - contributions made to the pension plan in the current fiscal year. The statement of financial position also reports 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 one item that meet this criterion – pension related deferrals.

6. Long-term Obligations

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

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

7. Compensated Absences

The Board recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example, paid in cash to the employee) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The Board follows the State's policy for vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements on a FIFO basis. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. An estimate has been made based on prior years' records of the current portion of compensated absences.

Vacation Leave - Employees may accumulate up to thirty (30) days of earned but unused vacation leave with such leave being fully vested when earned and eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave - 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. However, a liability for the estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

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.

Fund Balances

In the governmental fund financial statements, fund balance is composed of three 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:

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.

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

Restricted for Programs – revenue sources restricted in purpose in accordance with specified grants or donors, and not intended for general K-12 expenditures.

Assigned fund balance – portion of fund balance that the Board of Education 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. The Board of Education approves the appropriation.

Special revenues – portion of fund balance that represents the residual amount of revenues from tuition and fees, reimbursements, indirect costs and other financial resources in excess of related expenditures that the Board of Education has assigned to be expended within assigned purpose codes.

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

The Board of Education has a management policy for revenue spending that provides guidance for programs with multiple revenue sources. The Finance Officer will pay expenditures from restricted revenue sources first and then from general unrestricted revenues. 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.

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 \$15,837,455 consists of several elements as follows:

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets at historical cost on government-wide statement in governmental activities column)	\$ 129,091,798
Less Accumulated Depreciation	<u>(41,927,160)</u>
Net capital assets	87,164,638
Net OPEB Asset	48,056
Pension related deferred outflows of resources	11,284,864
OPEB related deferred outflows of resources	15,963,181
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Compensated absences	(10,830,109)
Net pension liability	(24,801,521)
Net OPEB liability	(53,340,215)
Deferred inflows of resources related to pensions	(1,040,156)
Deferred inflows of resources related to OPEB	<u>(8,611,283)</u>
Total adjustment	<u>\$ 15,837,455</u>

b. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances 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 \$4,387,266 as follows:

ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 7,711,029
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	(3,128,380)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	4,960,162
Contributions to the OPEB plans in the current fiscal year are not included on the Statement of Activities	2,103,417
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Loss on disposal of asset	(432,921)
OPEB nonemployer contributions	16,228
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	
Pension (expense) benefit	(5,977,786)
Net OPEB (expense) benefit	(591,917)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	<u>(272,566)</u>
Total adjustment	<u>\$ 4,387,266</u>

10. Defined Benefit Pension Plan and OPEB Plans

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

NOTE 2 - DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All of the Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the Board's agents in the unit's name. 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

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

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, 2025, the Board had deposits with banks and savings and loans with a carrying amount of \$10,823,746 and with the State Treasurer of \$-0-. The bank balances with the financial institutions and the State Treasurer were \$11,840,351 and \$291,686, respectively. Of these balances, \$839,125 was covered by federal depository insurance and \$11,292,912 was covered by collateral held by authorized escrow agents in the name of the State Treasurer.

2. Investments

At June 30 2025, the Board had \$-0- invested with the State Treasurer in the Short Term Investment Fund (STIF). The STIF is unrated and had a weighted average maturity of 2.1 years at June 30, 2025. The Board had \$-0- invested in the NCCMT as of June 30, 2025. The Board has no policy for managing interest rate risk or credit risk. All investments are measured using the market approach. The STIF is classified in Level 2 of the fair value hierarchy and valued using prices that are either directly or indirectly observable for an asset or liability.

ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

3. Accounts Receivable

Receivables at the government-wide level at June 30, 2025 are as follows:

	Due from other funds (Internal Balances)	Due from other governments	Other	Total
Governmental activities:				
General Fund	\$ (8,949)	\$ 67,339	\$ 22,797	\$ 81,187
Other governmental activities	<u>21,189</u>	<u>3,901,292</u>	<u>22,340</u>	<u>3,944,821</u>
Total governmental activities	<u>12,240</u>	<u>3,968,631</u>	<u>45,137</u>	<u>4,026,008</u>
Business-type activities:				
School Food Service Fund	\$ (1,054)	\$ 107,404	\$ -	\$ 106,350
Child Care Fund	<u>(11,186)</u>	<u>-</u>	<u>-</u>	<u>(11,186)</u>
Total business-type activities	<u>(12,240)</u>	<u>107,404</u>	<u>-</u>	<u>95,164</u>

Due from other governments consists of the following:

Governmental activities:		
General Fund	\$ 67,339	Operating funds from County
Capital Outlay Fund	3,894,232	Reimbursements from State and County
Other Special Revenue Fund	<u>7,060</u>	Medicaid & ROTC receivable
Total	<u>3,968,631</u>	
Business-type activities:		
School Food Service Fund	<u>\$ 107,404</u>	Federal reimbursement funds

ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

4. Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 3,067,012	\$ -	\$ -	\$ 3,067,012
Construction in progress	34,000	7,280,680	-	7,314,680
Total capital assets not being depreciated	<u>3,101,012</u>	<u>7,280,680</u>	<u>-</u>	<u>10,381,692</u>
Capital assets being depreciated:				
Buildings and Improvements	115,748,477	133,108	865,842	115,015,743
Furniture and equipment	5,300,673	46,847	2,813,327	2,534,193
Vehicles	982,504	250,394	72,728	1,160,170
Total capital assets being depreciated	<u>122,031,654</u>	<u>430,349</u>	<u>3,751,897</u>	<u>118,710,106</u>
Less accumulated depreciation for:				
Buildings and Improvements	37,042,693	3,024,011	432,921	39,633,783
Furniture and equipment	4,311,355	64,257	2,813,327	1,562,285
Vehicles	763,708	40,112	72,728	731,092
Total accumulated depreciation	<u>42,117,756</u>	<u>3,128,380</u>	<u>3,318,976</u>	<u>41,927,160</u>
Total capital assets being depreciated, net	<u>79,913,898</u>			<u>76,782,946</u>
Governmental activity capital assets, net	<u>\$ 83,014,910</u>			<u>\$ 87,164,638</u>
 Business-type activities:				
School Food Service Fund:				
Capital assets being depreciated:				
Equipment	\$ 1,479,574	\$ 21,069	\$ -	\$ 1,500,643
Vehicles	26,707	-	-	26,707
Total capital assets being depreciated	<u>1,506,281</u>	<u>21,069</u>	<u>-</u>	<u>1,527,350</u>
Less accumulated depreciation for:				
Equipment	1,225,496	39,848	-	1,265,344
Vehicles	26,707	-	-	26,707
Total accumulated depreciation	<u>1,252,203</u>	<u>39,848</u>	<u>-</u>	<u>1,292,051</u>
School Food Service capital assets, net	<u>\$ 254,078</u>			<u>\$ 235,299</u>

Depreciation was charged to governmental functions as follows:

Instructional services	\$ 3,024,011
System-wide support services	64,257
Unallocated depreciation	<u>40,112</u>
Total	<u>\$ 3,128,380</u>

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

Construction Commitments

The Board has an active construction project as of June 30, 2025, for a middle schools renovation project, the Board's commitments with contractors for school construction are as follows:

<u>Projects</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Various construction projects	\$ 7,280,680	\$ 44,500,000

B. Liabilities

1. Pension Plan and Other Postemployment Obligations

a. Teachers' and State Employees' Retirement System

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

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

TSERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

Contributions. Contribution provisions are established by General Statute 135-8 and may be amended only by the North Carolina General Assembly. Board employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the TSERS Board of Trustees. The Board's contractually required contribution rate for the year ended June 30, 2025 was 16.79% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Board were \$4,983,595 for the year ended June 30, 2025.

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

At June 30, 2025, the Board reported a liability of \$24,918,689 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating TSERS employers, actuarially determined. At June 30, 2024 and 2023, the Board's proportion was .16818% and .17418%, respectively.

For the year ended June 30, 2025, the Board recognized pension expense of \$6,005,316. At June 30, 2025, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,245,607	\$ 73,663
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	4,108,974	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	-	971,407
Board contributions subsequent to the measurement date	4,983,595	-
Total	\$ 11,338,176	\$ 1,045,070

\$4,983,595 reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

Year ended June 30:

2026	\$ 1,349,603
2027	4,506,010
2028	(106,266)
2029	(439,836)
2030	-
Thereafter	-
Total	<u>\$ 5,309,511</u>

Actuarial Assumptions. The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 to 8.05 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024 are summarized in the following table:

ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	100%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 asset liability and investment policy study for the North Carolina Retirement Systems, including TSERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rates used to measure the total pension liability reported at June 30, 2025 and 2024 was 6.50% for both years. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Board's proportionate share of the net pension liability to changes in the discount rate. The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the Board's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Board's proportionate share of the net pension liability	\$ 45,710,572	\$ 24,918,689	\$ 7,772,735

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

b. Other Postemployment Benefits

1. Healthcare Benefits

Plan description. The Retiree Health Benefit Fund (RHBF) has been established as a fund to provide health benefits to retired and disabled employees and their applicable beneficiaries. RHBF is established in Chapter 135, Article 1 of the General Statutes. It is a cost-sharing, multiple-employer, defined benefit healthcare plan, exclusively for the benefit of former employees of the State, the University of North Carolina System, and community colleges. In addition, LEAs, charter schools, and some select local governments also participate.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members. RHBF is supported by a percent of payroll contribution from participating employing units. Each year the percentage is set in legislation, as are the maximum per retiree contributions from RHBF to the State Health Plan. The State Treasurer, with the approval of the State Health Plan Board of Trustees, then sets the employer contributions (subject to the legislative cap) and the premiums to be paid by retirees, as well as the health benefits to be provided through the State Health Plan.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's ACFR, which can be found at <https://www.osc.nc.gov/public-information/reports>.

Benefits provided. Plan benefits received by retired employees and disabled employees from RHBF are OPEB. The healthcare benefits for retired and disabled employees who are not eligible for Medicare are the same as for active employees. The plan options change when former employees become eligible for Medicare. Medicare retirees have the option of selecting one of two fully-insured Medicare Advantage/Prescription Drug Plan (MA-PDP) options of the self-funded Traditional 70/30 preferred Provider Organization plan option that is also offered to non-Medicare members. If the Traditional 70/30 Plan is selected by a Medicare retiree, the self-funded State Health Plan coverage is secondary to Medicare.

Those former employees who are eligible to receive medical benefits from RHBF are long-term disability beneficiaries of the Disability Income Plan of North Carolina (DIPNC) and retirees of the TSERS, the Consolidated Judicial Retirement System (CJRS), the Legislative Retirement System (LRS), the University Employees' Optional Retirement Program (ORP), and a small number of local governments, with five or more years of contributory membership service in their retirement system prior to disability or retirement, with the following exceptions: for employees first hired on or after October 1, 2006, and members of the General Assembly first taking office on or after February 1, 2007, future coverage as retired employees and retired members of the General Assembly 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 or after October 1, 2006 and members of the General Assembly first taking office on or after February 1, 2007 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 noncontributory premium.

Section 35.21 (c) and (d) of Session Law 2017-57 repeals retiree medical benefits for employees first hired January 1, 2021. The new legislation amends Article 3B of Chapter 135 of the General Statutes to require that retirees must earn contributory retirement service in TSERS (or in an allowed local system unit), CJRS, or LRS prior to January 1, 2021, and not withdraw that service, in order to be eligible for retiree medical benefits under the amended law. Consequently, members first hired on and after January 1, 2021 will not be eligible to receive retiree medical benefits.

RHBF's benefit and contribution provisions are established by Chapter 135, Article 1 and Chapter 135, Article 3B of the General Statutes and may be amended only by the North Carolina General Assembly. RHBF does not provide for automatic post-retirement benefit increases.

Contributions. By General Statute, accumulated contributions from employers to RHBF and any earnings on those contributions shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. By statute, contributions to RHBF are irrevocable. Also, by law, fund assets are dedicated to providing benefits to retired and disabled employees and their applicable beneficiaries and are not subject to the claims of creditors of the employers making contributions to RHBF. However, RHBF assets may be used for reasonable expenses to administer the RHBF, including costs to conduct required actuarial valuations of state-supported retired employees' health benefits. Contribution rates to RHBF, 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 year ended June 30, 2025, the Board contributed 6.99% of covered payroll, which amounted to \$2,074,767 for the

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

entire fiscal year. During the current fiscal year, the plan also recognized a one-time transfer of excess funding from the Public Employees Health Benefits Fund totaling \$10.3 million, which was isolated from the OPEB expense and allocated to participating employers as a separate revenue item. The Board's proportionate share of this allocation totaled \$16,305.

At June 30, 2025, the Board reported a liability of \$53,592,206 for its proportionate share of the net RHBF OPEB liability. The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. The total OPEB liability was then rolled forward to the measurement date of June 30, 2024 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net OPEB liability was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2024 and 2023, the Board's proportion was .15757% and .15554%, respectively.

\$2,074,767 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	
2026	\$ (1,006,441)
2027	508,659
2028	3,196,805
2029	2,593,471
2030	-
Thereafter	-
Total	<u>\$ 5,292,494</u>

Actuarial assumptions. Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation	2.50%
Salary increases	3.25-8.05%, include 3.25% inflation and productivity factor
Investment rate of return	6.50%

Healthcare cost trend rates:

Medical	5.00-6.50%
Prescription drug	5.00-10.00%
Administrative costs	3.00%
Post-retirement mortality rates	Pub-2010 Healthy Annuitant Mortality Table for males and females, adjusted for classification for some Participants, further adjusted with scaling factors varying by participant group, and projected for mortality improvement using Scale MP-2019

Discount rate. The discount rates used to measure the total OPEB liability for the RHBF at June 30, 2025 and 2024 were 3.93% and 3.65%, respectively. The projection of cash flow used to determine the discount rate assumed that contributions from employers would be made at the current statutorily determined contribution rate. Based on the above assumptions, the plan's fiduciary net position was not projected to be available to make projected future benefit payments of current plan members. As a result, a municipal bond rate of 3.93% was used as the discount rate used to measure the total OPEB liability. The 3.93% rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2024.

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.93 percent) or 1-percentage point higher (4.93 percent) than the current discount rate:

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Net OPEB liability	\$ 63,760,855	\$ 53,592,206	\$ 45,427,669

Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the healthcare trend rates. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare trend rates:

	Healthcare Trend Rates	
1% Decrease (Medical - 4.00-5.50%, Pharmacy - 4.00-9.00%, Medicare Advantage - 4.00%, Administrative - 2.00%)	(Medical - 5.00-6.50%, Pharmacy - 5.00-10.00%, Medicare Advantage - 5.00%, Administrative - 3.00%)	1% increase (Medical - 6.00-7.50%, Pharmacy - 6.00-11.00%, Medicare Advantage - 6.00%, Administrative - 4.00%)
Net OPEB liability	\$ 44,236,518	\$ 53,592,206
		\$ 65,705,999

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued ACFR for the State of North Carolina.

2. 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, to the eligible members of TSERS which includes employees of the State, the University of North Carolina System, community colleges, certain Local Education Agencies, and ORP.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members. Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's ACFR, which can be found at <https://www.osc.nc.gov/public-information/reports>.

Benefits Provided. Long-term disability benefits are payable as an OPEB 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. An employee is eligible to receive long-term disability benefits provide the following requirements are met: (1) the employee has five or more years of contributing membership service in TSERS or ORP, 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

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

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 TSERS after (1) reaching the age of 65 and completing 5 years of membership service, or (2) reaching the age of 60 and completing 25 years of creditable service, or (3) completing 30 years of service at any age.

Contributions. 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 does not provide for automatic post-retirement benefit increases. Disability income benefits are funded by actuarially determined employer contributions that are established in the Appropriations Bill by the General Assembly and coincide with the State fiscal year. For the fiscal year ended June 30, 2025, employers made a statutory contribution of 0.13% of covered payroll which was equal to the actuarially required contribution. Board contributions to the plan were \$38,587 for the year ended June 30, 2025.

The contributions cannot be separated between the amounts that relate to other postemployment benefits and employment benefits for active employees. Those individuals who are receiving extended short-term disability benefit payments cannot be separated from the number of members currently eligible to receive disability benefits as an other postemployment benefit.

At June 30, 2025, the Board reported an asset of \$48,283 for its proportionate share of the net DIPNC OPEB asset. The net OPEB asset was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2023. The total OPEB liability was then rolled forward to the measurement date of June 30, 2024 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net OPEB asset was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2024 and 2023, the Board's proportion was .14664% and .15225%, respectively.

\$38,587 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2026	\$ (19,163)
2027	(13,258)
2028	6,558
2029	3,805
2030	2,841
Thereafter	<hr/> -
Total	<hr/> \$ (19,217)

Actuarial assumptions. Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation	2.50%
Salary increases	3.25%-8.05%, include 3.25% inflation and productivity factor
Investment rate of return	3.00%, net of OPEB plan expense, including inflation

Sensitivity of the Board's proportionate share of the net OPEB asset to changes in the discount rate. The following presents the Board's proportionate share of the net OPEB asset, as well as what the District's

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage point lower (2.00 percent) or 1-percentage point higher (4.00 percent) than the current discount rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
Net OPEB asset	\$ 43,052	\$ 48,283	\$ 53,780

Common actuarial assumptions for both OPEB plans. The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2023 using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified. The total OPEB liability was calculated through the use of update procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024. The update procedures incorporated the actuarial assumptions used in the valuation. The entry age normal cost method was utilized.

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

The actuarial assumptions were based on the results of an actuarial experience review for the period January 1, 2015 through December 31, 2019.

DIPNC is primarily invested in the Bond Index Investment Pool as of June 30, 2024. The long-term expected rate of return was determined based on the combination of expected future real rates of return and expected inflation. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2024 is 1.2%.

Following is information related to OPEB expense, proportionate share, assets, liabilities, deferred outflows of resources and deferred inflows of resources reported by the Board as of and for the year ended June 30, 2025:

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

	RHBF	DIPNC	Total
OPEB Expense (Benefit)	\$ 566,363	\$ 25,858	\$ 592,221
OPEB Liability (Asset)	53,592,206	(48,283)	53,543,923
Proportionate share of the net OPEB liability (asset)	0.15757%	0.14664%	
Deferred Outflows of Resources			
Differences between expected and actual experience	436,808	19,465	456,273
Changes of assumptions	12,907,191	720	12,907,911
Net difference between projected and actual earnings on plan investments	229,651	37,905	267,556
Changes in proportion and differences between Board contributions and proportionate share of contributions	289,742	3,759	293,501
Board contributions subsequent to the measurement date	2,074,767	38,587	2,113,354
Total Deferred Outflows of Resources	<u>15,938,159</u>	<u>100,436</u>	<u>16,038,595</u>
Deferred Inflows of Resources			
Differences between Expected and actual experience	-	55,536	55,536
Changes of assumptions	6,987,329	22,495	7,009,824
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	1,583,569	3,035	1,586,604
Total Deferred Inflows of Resources	<u>8,570,898</u>	<u>81,066</u>	<u>8,651,964</u>

2. Accounts Payable

Accounts payable as of June 30, 2025 are as follows:

	<u>Vendors</u>
Governmental activities:	
General Fund	\$ 311,690
Other governmental activities	<u>4,186,555</u>
Total governmental activities	<u>4,498,245</u>
Business-type activities:	
School Food Service Fund	\$ 84,566
Child Care Fund	<u>636</u>
Total business-type activities	<u>85,202</u>

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

3. Unearned Revenues

The balance in unearned revenues at year-end is composed of the following elements

Business-type activities:

Prepayments of meals (School Food Service Fund)	\$ <u>14,781</u>
-------------------------------------------------	------------------

4. Deferred Outflows and Inflows of Resources

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,701,880	\$ 129,199
Changes of assumptions	12,907,911	7,009,824
Net difference between projected and actual earnings on pension and OPEB plan investments	4,376,530	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	293,501	2,558,011
Board contributions subsequent to the measurement date	<u>7,096,949</u>	-
Total	<u>\$ 27,376,771</u>	<u>\$ 9,697,034</u>

5. Risk Management

The Board is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The 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 both general liability and errors and omissions of \$2,550,000 each. The Trust is reinsured through commercial companies for losses in excess of \$150,000 per claim for errors and omissions and general liability coverage. Statutory workers' compensation coverage is purchased through a private insurer 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 also participates in the State Public Education Property Insurance Fund (the Fund), a voluntary, self-insured risk control and risk financing fund administered by the North Carolina Department of Insurance. 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 Trust also provides auto coverage through the Automobile and Inland Marine Fund. Through the Trust, the Board 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.

ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

The Board also participates in the Teachers' and State Employees' Comprehensive Major Medical Plan, a self-funded risk financing pool of the State administered by Blue Cross and Blue Shield of North Carolina through December 31, 2024 and Aetna thereafter. Through the Plan, permanent full-time employees of the Board are eligible to receive health care benefits. The Board pays the majority of the cost of coverage for employees enrolled in the Comprehensive Major Medical Plan.

In accordance with G.S. 115C-442, the Board's employees who have custody of the Board's monies at any given time 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.

6. Long-Term Obligations

Long-Term Obligation Activity

The following is a summary of changes in the Board's long-term obligations for the fiscal year ended June 30, 2025:

	July 1, 2024 (As restated)	Increases	Decreases	June 30, 2025	Current Portion
Governmental activities:					
Net pension liability	\$ 28,901,207	\$ -	\$ 4,099,686	\$ 24,801,521	\$ -
Net OPEB liability	41,291,217	12,048,998	-	53,340,215	-
Compensated absences	<u>10,557,543</u>	<u>272,566</u>	<u>-</u>	<u>10,830,109</u>	<u>3,249,033</u>
Total	<u>\$ 80,749,967</u>	<u>\$ 12,321,564</u>	<u>\$ 4,099,686</u>	<u>\$ 88,971,845</u>	<u>\$ 3,249,033</u>
Business-type activities:					
Net pension liability	\$ 138,053	\$ -	\$ 20,885	\$ 117,168	\$ -
Net OPEB liability	197,236	54,755	-	251,991	-
Compensated absences	<u>60,894</u>	<u>-</u>	<u>8,441</u>	<u>52,453</u>	<u>15,736</u>
Total	<u>\$ 396,183</u>	<u>\$ 54,755</u>	<u>\$ 29,326</u>	<u>\$ 421,612</u>	<u>\$ 15,736</u>

Compensated absences, net pension and net OPEB liabilities related to governmental activities are typically liquidated by the General and other governmental funds.

C. Interfund Balances and Activity

1. Interfund balances

The composition of interfund balances as of June 30, 2025 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Other Special Revenue Fund	School Food Service Fund	\$ 21,189
School Food Service Fund	Child Care Fund	\$ 11,186
School Food Service Fund	General Fund	\$ 8,949

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

The amounts above represents unpaid indirect cost to the Other Special Revenue fund from the School Food Service fund, food costs owed from the Child Care fund to the School Food Service fund and a School Food Service revenue received into the General fund operating bank account. These amounts are expected to be paid prior to June 30, 2026.

2. Transfers to/from other Funds

Transfers to/from other funds at June 30, 2025 consist of the following:

From the State Public School Fund to the School Food Service Fund for personnel costs	<u>\$ 45,000</u>
---------------------------------------------------------------------------------------	------------------

D. Fund Balance

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

Total fund balance - General Fund	\$ 3,664,633
Less:	
Stabilization by State statute	(90,136)
Appropriated Fund Balance in the 2025-2026 budget	<u>(500,000)</u>
Remaining fund balance	<u>\$ 3,074,497</u>

NOTE 3 – OTHER SPECIAL REVENUE FUND – OTHER REVENUES

Other revenues for the fiscal year ended June 30, 2025 in the Other Special Revenue Fund consists of the following:

Local sales tax	\$ 66,732
Medicaid reimbursement program	659,332
Other reimbursements and refunds	22,533
Contributions and donations	15,000
Indirect costs allocated	204,640
Rental of school property	7,035
Tuition and fees	684,991
Private grants and programs	364,412
Other	<u>39</u>
Total other revenues	<u>\$ 2,024,714</u>

NOTE 4 - 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 moneys to the grantor agencies.

**ASHEBORO CITY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025**

Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

NOTE 5– ACCOUNTING CHANGES

Change in Accounting Principle

Effective July 1, 2024, the Board implemented accounting and financial reporting requirements of GASB Statement 101, Compensated Absences. The statement requires that governments recognize liabilities for sick leave that is attributable to services the employee has rendered, that accumulates and is more likely than not to be used. See the table below for the effects on Board's net position as a result of the adoption of this statement.

Adjustments to and Restatements of Beginning Balances

During the fiscal year ended June 30, 2025, implementation of GASB Statement 101 resulted in restatements of beginning net position and fund net position, as follows:

	Reporting Units Affected by Restatements of Beginning Balances			
	Proprietary Fund		Government-Wide	
	School Food Service	Child Care	Governmental Activities	Business-Type Activities
June 30, 2024 net position, as previously reported	\$ 2,810,418	\$ 182,439	\$ 25,086,831	\$ 2,992,857
Change in accounting principle	(18,797)	(20,541)	(7,385,195)	(39,338)
June 30, 2024 net position (deficit), as restated	<u>\$ 2,791,621</u>	<u>\$ 161,898</u>	<u>\$ 17,701,636</u>	<u>\$ 2,953,519</u>

NOTE 6 – SUBSEQUENT EVENTS

The Board has evaluated subsequent events through January 16, 2026 (the issuance date of the financial statements) and has determined that there were no subsequent events to recognize or disclose in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Board's Proportionate Share of the Net Pension Liability
Teachers' and State Employees' Retirement System

Schedule of Board Contributions
Teachers' and State Employees' Retirement System

Schedule of the Board's Proportionate Share of the Net OPEB Liability
Retiree Health Benefit Fund

Schedule of Board Contributions
Retiree Health Benefit Fund

Schedule of the Board's Proportionate Share of the Net OPEB Liability (Asset)
Disability Income Plan of North Carolina

Schedule of Board Contributions
Disability Income Plan of North Carolina

ASHEBORO CITY BOARD OF EDUCATION**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION****SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY****TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM****LAST TEN FISCAL YEARS***

	2025	2024	2023	2022	2021
Board's proportion of the net pension liability (asset)	0.16818%	0.17418%	0.17760%	0.17733%	0.18937%
Board's proportionate share of the net pension liability (asset)	\$ 24,918,689	\$ 29,039,260	\$ 26,359,815	\$ 8,303,656	\$ 22,879,678
Board's covered payroll	\$ 29,163,173	\$ 28,424,620	\$ 27,436,940	\$ 26,719,044	\$ 26,893,371
Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	85.45%	102.16%	96.07%	31.08%	85.08%
Plan fiduciary net position as a percentage of the total pension liability	85.35%	82.97%	84.14%	94.86%	85.98%

51

	2020	2019	2018	2017	2016
Board's proportion of the net pension liability (asset)	0.18977%	0.19100%	0.19600%	0.19400%	0.20600%
Board's proportionate share of the net pension liability (asset)	\$ 19,673,374	\$ 18,967,345	\$ 15,557,058	\$ 17,855,420	\$ 7,588,928
Board's covered payroll	\$ 26,959,571	\$ 25,836,697	\$ 25,319,199	\$ 24,177,624	\$ 25,340,684
Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	72.97%	73.41%	60.21%	73.85%	29.95%
Plan fiduciary net position as a percentage of the total pension liability	87.56%	87.61%	89.51%	87.32%	94.64%

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

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF BOARD CONTRIBUTIONS
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021
Contractually required contribution	\$ 4,983,595	\$ 5,141,586	\$ 4,914,263	\$ 4,494,171	\$ 3,949,073
Contributions in relation to the contractually required contribution	<u>4,983,595</u>	<u>5,141,586</u>	<u>4,914,263</u>	<u>4,494,171</u>	<u>3,949,073</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Board's covered payroll	\$ 29,681,927	\$ 29,163,173	\$ 28,424,620	\$ 27,436,940	\$ 26,719,044
Contributions as a percentage of covered payroll	16.79%	17.63%	17.38%	16.38%	14.78%
	2020	2019	2018	2017	2016
Contractually required contribution	\$ 3,488,070	\$ 3,313,332	\$ 2,785,196	\$ 2,526,360	\$ 2,212,253
Contributions in relation to the contractually required contribution	<u>3,488,070</u>	<u>3,313,332</u>	<u>2,785,196</u>	<u>2,526,360</u>	<u>2,212,253</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Board's covered payroll	\$ 26,893,371	\$ 26,959,571	\$ 25,836,697	\$ 25,319,199	\$ 24,177,624
Contributions as a percentage of covered payroll	12.97%	12.29%	10.78%	9.98%	9.15%

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
RETIREE HEALTH BENEFIT FUND
LAST NINE FISCAL YEARS*

	2025	2024	2023	2022	2021
Board's proportion of the net OPEB liability/asset	0.15757%	0.15554%	0.15671%	0.15618%	0.16525%
Board's proportionate share of the net OPEB liability (asset)	\$ 53,592,206	\$ 41,447,961	\$ 37,213,195	\$ 48,282,533	\$ 45,841,671
Board's covered payroll	\$ 29,163,173	\$ 28,424,620	\$ 27,436,940	\$ 26,719,044	\$ 26,893,371
Board's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	183.77%	145.82%	135.63%	180.70%	170.46%
53 Plan fiduciary net position as a percentage of the total OPEB liability/asset	9.79%	10.73%	10.58%	7.72%	6.92%
	2020	2019	2018	2017	
Board's proportion of the net OPEB liability/asset	0.16567%	0.16900%	0.18100%	0.17100%	
Board's proportionate share of the net OPEB liability (asset)	\$ 52,418,497	\$ 48,037,418	\$ 59,406,863	\$ 74,274,206	
Board's covered payroll	\$ 26,959,571	\$ 25,836,697	\$ 25,319,199	\$ 24,177,624	
Board's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	194.43%	185.93%	234.63%	307.20%	
Plan fiduciary net position as a percentage of the total OPEB liability/asset	4.40%	4.40%	3.52%	2.41%	

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

Note: This is a ten year schedule. However, GASB 75 was not adopted until the fiscal year ended June 30, 2018. Therefore, there are only nine of data presented.

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF BOARD CONTRIBUTIONS
RETIREE HEALTH BENEFIT FUND
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021
Contractually required contribution	\$ 2,074,767	\$ 2,082,299	\$ 1,983,554	\$ 1,725,784	\$ 1,784,832
Contributions in relation to the contractually required contribution	<u>2,074,767</u>	<u>2,082,299</u>	<u>1,983,554</u>	<u>1,725,784</u>	<u>1,784,832</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Board's covered payroll	\$ 29,681,927	\$ 29,163,173	\$ 28,424,620	\$ 27,436,940	\$ 26,719,044
Contributions as a percentage of covered payroll	6.99%	7.14%	6.89%	6.29%	6.68%
	2020	2019	2018	2017	2016
Contractually required contribution	\$ 1,740,001	\$ 1,690,365	\$ 1,563,120	\$ 1,471,045	\$ 1,353,947
Contributions in relation to the contractually required contribution	<u>1,740,001</u>	<u>1,690,365</u>	<u>1,563,120</u>	<u>1,471,045</u>	<u>1,353,947</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Board's covered payroll	\$ 26,893,371	\$ 26,959,571	\$ 25,836,697	\$ 25,319,199	\$ 24,177,624
Contributions as a percentage of covered payroll	6.47%	6.27%	6.05%	5.81%	5.60%

ASHEBORO CITY BOARD OF EDUCATION**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION****SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)****DISABILITY INCOME PLAN OF NORTH CAROLINA****LAST NINE FISCAL YEARS***

	2025	2024	2023	2022	2021
Board's proportion of the net OPEB liability/asset	0.14664%	0.15225%	0.15580%	0.15650%	0.16713%
Board's proportionate share of the net OPEB liability (asset)	\$ (48,283)	\$ 40,492	\$ 46,347	\$ (25,563)	\$ (82,218)
Board's covered payroll	\$ 29,163,173	\$ 28,424,620	\$ 27,436,940	\$ 26,719,044	\$ 26,893,371
Board's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	-0.17%	0.14%	0.17%	0.10%	0.31%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	114.99%	90.61%	90.34%	105.18%	115.57%
	2020	2019	2018	2017	
Board's proportion of the net OPEB liability/asset	0.16807%	0.16800%	0.17500%	0.17500%	
Board's proportionate share of the net OPEB liability (asset)	\$ (72,522)	\$ (51,108)	\$ (106,691)	\$ (108,750)	
Board's covered payroll	\$ 26,959,571	\$ 25,836,697	\$ 25,319,199	\$ 24,177,624	
Board's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	0.27%	0.20%	0.42%	0.45%	
Plan fiduciary net position as a percentage of the total OPEB liability/asset	113.00%	108.47%	116.23%	116.06%	

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

Note: This is a ten year schedule. However, GASB 75 was not adopted until the fiscal year ended June 30, 2018. Therefore, there are only nine years of data presented.

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF BOARD CONTRIBUTIONS
DISABILITY INCOME PLAN OF NORTH CAROLINA
LAST TEN FISCAL YEARS

96

	2025	2024	2023	2022	2021
Contractually required contribution	\$ 38,587	\$ 32,080	\$ 28,789	\$ 24,693	\$ 24,047
Contributions in relation to the contractually required contribution	<u>38,587</u>	<u>32,080</u>	<u>28,789</u>	<u>24,693</u>	<u>24,047</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Board's covered payroll	\$ 29,681,927	\$ 29,163,173	\$ 28,424,620	\$ 27,436,940	\$ 26,719,044
Contributions as a percentage of covered payroll	0.13%	0.11%	0.10%	0.09%	0.09%
	2020	2019	2018	2017	2016
Contractually required contribution	\$ 26,893	\$ 37,743	\$ 36,171	\$ 96,213	\$ 99,128
Contributions in relation to the contractually required contribution	<u>26,893</u>	<u>37,743</u>	<u>36,171</u>	<u>96,213</u>	<u>99,128</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Board's covered payroll	\$ 26,893,371	\$ 26,959,571	\$ 25,836,697	\$ 25,319,199	\$ 24,177,624
Contributions as a percentage of covered payroll	0.10%	0.14%	0.14%	0.38%	0.41%

INDIVIDUAL FUND SCHEDULES

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2025

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Randolph County			
County appropriation	\$ 7,342,158	\$ 7,345,530	\$ 3,372
Other:			
Fines and forfeitures	275,000	310,230	35,230
Supplemental school taxes	3,850,000	3,920,727	70,727
Interest earned on investment	45,000	32,961	(12,039)
Total other	<u>4,170,000</u>	<u>4,263,918</u>	<u>93,918</u>
Total revenues	<u>11,512,158</u>	<u>11,609,448</u>	<u>97,290</u>
Expenditures:			
Current:			
Instructional services:			
Regular instructional	2,586,758	2,556,979	29,779
Special populations	887,047	859,839	27,208
Alternative programs	573,440	547,228	26,212
School leadership	533,088	524,355	8,733
Co-curricular	349,578	336,746	12,832
School-based support	440,519	342,420	98,099
Total instructional services	<u>5,370,430</u>	<u>5,167,567</u>	<u>202,863</u>
System-wide support services:			
Support and development	120,530	115,099	5,431
Special population support and development	13,360	11,845	1,515
Technology support	304,961	294,475	10,486
Operational support	4,773,836	4,230,423	543,413
Financial and human resource services	615,409	391,984	223,425
Accountability	11,867	10,458	1,409
System-wide pupil support	141,351	130,642	10,709
Policy, leadership and public relations	624,729	543,166	81,563
Total system-wide support services	<u>6,606,043</u>	<u>5,728,092</u>	<u>877,951</u>

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (Continued)
GENERAL FUND
For the Fiscal Year Ended June 30, 2025

	Final Budget	Actual	Variance With Final Budget
Expenditures: (Continued)			
Current:			
Nutrition	685	670	15
Nonprogrammed charges:			
Payments to other governments	785,000	781,183	3,817
Total expenditures	<u>12,762,158</u>	<u>11,677,512</u>	<u>1,084,646</u>
Revenues over (under) expenditures	(1,250,000)	(68,064)	1,181,936
Fund balance appropriated	1,250,000	-	(1,250,000)
Net change in fund balance	\$ -	(68,064)	\$ (68,064)
Fund balance:			
Beginning of year		3,732,697	
End of year	<u>\$ 3,664,633</u>		

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
For the Fiscal Year Ended June 30, 2025

	<u>Revenues</u>	<u>Expenditures</u>	<u>Net change in fund balance</u>	<u>Fund balances June 30, 2024</u>	<u>Fund balances June 30, 2025</u>
Asheboro High	\$ 517,772	\$ 517,388	\$ 384	\$ 114,213	\$ 114,597
Balfour Elementary	100,300	69,234	31,066	17,304	48,370
Charles W. McCray Elementary	68,765	69,625	(860)	13,065	12,205
Donna Lee Loflin Elementary	56,301	58,641	(2,340)	16,957	14,617
Early Childhood Dev. Center	43,571	44,891	(1,320)	3,442	2,122
Guy B. Teachey Elementary	52,869	53,993	(1,124)	11,882	10,758
Lindley Park Elementary	55,760	57,317	(1,557)	15,800	14,243
North Asheboro Middle	157,101	147,478	9,623	41,408	51,031
South Asheboro Middle	<u>117,891</u>	<u>116,420</u>	<u>1,471</u>	<u>48,494</u>	<u>49,965</u>
Totals	<u>\$ 1,170,330</u>	<u>\$ 1,134,987</u>	<u>\$ 35,343</u>	<u>\$ 282,565</u>	<u>\$ 317,908</u>

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
CAPITAL OUTLAY FUND
For the Fiscal Year Ended June 30, 2025

	Final Budget	Actual	Variance With Final Budget
Revenues:			
State of North Carolina:			
Public School Capital Fund - Needs Based Lottery	\$ 29,728,490	\$ 6,115,053	\$ (23,613,437)
Randolph County:			
County appropriations	<u>5,607,951</u>	2,161,302	(3,446,649)
Other:			
Interest earned on investments	13,615	13,615	-
Contributions	101,000	101,000	-
Miscellaneous	<u>12,674</u>	<u>12,674</u>	-
Total other	<u>127,289</u>	<u>127,289</u>	-
Total revenues	<u>35,463,730</u>	<u>8,403,644</u>	(27,060,086)
Expenditures:			
Capital outlay:			
Real property and buildings:			
Asheboro High School	-	7,341,505	-
Other real property and buildings	<u>-</u>	<u>117,360</u>	-
Total real property and buildings	<u>36,293,730</u>	<u>7,458,865</u>	<u>28,834,865</u>
Furnishings and equipment	<u>45,000</u>	<u>30,130</u>	<u>14,870</u>
Buses and motor vehicles	<u>125,000</u>	<u>115,457</u>	<u>9,543</u>
Total capital outlay	<u>36,463,730</u>	<u>7,604,452</u>	<u>28,859,278</u>
Revenues over (under) expenditures	(1,000,000)	799,192	1,799,192
Fund balance appropriated	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>799,192</u>	<u>\$ 799,192</u>
Fund balance:			
Beginning of year			1,761,340
End of year			<u>\$ 2,560,532</u>

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
SCHOOL FOOD SERVICE FUND
For the Fiscal Year Ended June 30, 2025

	Final Budget	Actual	Variance With Final Budget
Operating revenues:			
Food sales	\$ 348,500	\$ 133,951	\$ (214,549)
Other	<u>-</u>	<u>31,747</u>	<u>31,747</u>
Total operating revenues	<u>348,500</u>	<u>165,698</u>	<u>(182,802)</u>
Operating expenditures:			
Business support services:			
Purchase of food	<u>-</u>	<u>1,521,405</u>	<u>-</u>
Donated commodities	<u>-</u>	<u>198,540</u>	<u>-</u>
Salaries and benefits	<u>-</u>	<u>1,230,691</u>	<u>-</u>
Indirect costs	<u>-</u>	<u>105,164</u>	<u>-</u>
Materials and supplies	<u>-</u>	<u>89,580</u>	<u>-</u>
Non-capitalized equipment	<u>-</u>	<u>26,700</u>	<u>-</u>
Contracted services	<u>-</u>	<u>28,157</u>	<u>-</u>
Other	<u>-</u>	<u>14,741</u>	<u>-</u>
Capital outlay	<u>-</u>	<u>21,069</u>	<u>-</u>
Total operating expenditures	<u>4,997,800</u>	<u>3,236,047</u>	<u>1,761,753</u>
Operating loss	<u>(4,649,300)</u>	<u>(3,070,349)</u>	<u>1,578,951</u>
Nonoperating revenues:			
Federal reimbursements	<u>4,347,800</u>	<u>3,125,021</u>	<u>(1,222,779)</u>
Federal commodities	<u>220,000</u>	<u>198,540</u>	<u>(21,460)</u>
State reimbursements	<u>16,500</u>	<u>-</u>	<u>(16,500)</u>
Interest earned	<u>20,000</u>	<u>9,628</u>	<u>(10,372)</u>
Total nonoperating revenues	<u>4,604,300</u>	<u>3,333,189</u>	<u>(1,271,111)</u>
Revenues over (under) expenditures before other financing sources	<u>(45,000)</u>	<u>262,840</u>	<u>307,840</u>
Other financing sources:			
Transfers from other funds	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>307,840</u>	<u>\$ 307,840</u>
Reconciliation of modified accrual to full accrual basis:			
Reconciling items:			
Depreciation		<u>(39,848)</u>	
Net OPEB asset		<u>227</u>	
Net pension liability		<u>20,885</u>	
Net OPEB liability		<u>(54,755)</u>	
Deferred outflows		<u>14,029</u>	
Deferred inflows		<u>25,227</u>	
Equipment purchases		<u>21,069</u>	
Increase in compensated absences payable		<u>(16,969)</u>	
Decrease in inventories		<u>(36,490)</u>	
Change in net position (full accrual)	<u>\$ 241,215</u>		

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
CHILD CARE FUND
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Operating revenues:			
Child care fees	<u>\$ 250,000</u>	<u>\$ 186,848</u>	<u>\$ (63,152)</u>
Operating expenditures:			
Regular community services:			
Purchase of food	-	751	-
Salaries and benefits	-	69,071	-
Contracted services	-	78,868	-
Materials and supplies	<u>-</u>	<u>5,653</u>	<u>-</u>
Total operating expenditures	<u>400,000</u>	<u>154,343</u>	<u>245,657</u>
Operating loss	<u>(150,000)</u>	32,505	182,505
Fund balance appropriated	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
Expenditures over revenues	<u>\$ -</u>	32,505	<u>\$ 32,505</u>
Reconciliation of modified accrual to full accrual basis:			
Reconciling items:			
Decrease in compensated absences payable		<u>25,410</u>	
Change in net position (full accrual)		<u>\$ 57,915</u>	

COMPLIANCE SECTION

INDEPENDENT AUDITORS' REPORT

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance
with *Government Auditing Standards*

To the 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 the 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 Asheboro City Board of Education, North Carolina, as of and for the year ended June 30, 2025, and the related notes to the basic financial statements, which collectively comprises the Asheboro City Board of Education, North Carolina's basic financial statements and have issued our report thereon dated January 16, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Anderson Smith & Wike PLLC

January 16, 2026
West End, North Carolina



INDEPENDENT AUDITORS' REPORT

Report On Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

To the Asheboro City Board of Education
Asheboro, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Asheboro City Board of Education, North Carolina's compliance with the types of compliance requirements identified as subject to audit in the OMB *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, 2025. The Asheboro City Board of Education's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Asheboro City Board of Education complied, in all material respects, with the 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, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards, the Uniform Guidance and the State Single Audit Implementation Act are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report. We are required to be independent of Asheboro City Board of Education and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Asheboro City Board of Education's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Asheboro City Board of Education's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Asheboro City Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and the State Single Audit Implementation Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Asheboro City Board of Education's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and the State Single Audit Implementation Act, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Asheboro City Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Asheboro City Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Asheboro City Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Anderson Smith & Wike PLLC

January 16, 2026
West End, North Carolina



INDEPENDENT AUDITORS' REPORT

Report On Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

To the Asheboro City Board of Education
Asheboro, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Asheboro City Board of Education, North Carolina's compliance with the types of compliance requirements described in the OMB *Compliance Supplement and 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, 2025. The Asheboro City Board of Education's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Asheboro City Board of Education complied, in all material respects, with the 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, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and applicable sections of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Our responsibilities under those standards, the Uniform Guidance and the State Single Audit Implementation Act are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report. We are required to be independent of Asheboro City Board of Education and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major State program. Our audit does not provide a legal determination of the Asheboro City Board of Education's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Asheboro City Board of Education's State programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Asheboro City Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and the State Single Audit Implementation Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Asheboro City Board of Education's compliance with the requirements of each major State program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and the State Single Audit Implementation Act, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Asheboro City Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Asheboro City Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Asheboro City Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Anderson Smith & Wike PLLC

January 16, 2026
West End, North Carolina

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements

Audited were prepared in accordance to GAAP: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? *No*
- Significant deficiency(ies) identified that are not considered to be material weaknesses *None Identified for Reporting*

Noncompliance material to financial statements noted

No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? *No*
- Significant deficiency(ies) identified that are not considered to be material weaknesses *None Identified for Reporting*

Type of auditors' report issued on compliance for major federal programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

No

Identification of major federal programs:

AL Numbers Names of Federal Programs or Clusters

Child Nutrition Cluster:	
10.553	School Breakfast Program
10.555	National School Lunch Program
10.555	National School Lunch Program (Commodities)
10.555	After School Snack Program
10.559	Summer Food Service Program for Children
84.425	COVID-19 - Education Stabilization Funds

Dollar threshold used to distinguish between Type A and Type B Programs

\$ 750,000

Auditee qualified as low-risk auditee?

Yes

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2025

Section I - Summary of Auditors' Results (Continued)

State Awards

Internal control over major State programs:

- Material weakness(es) identified? *No*
- Significant deficiency(ies) identified that are not considered to be material weaknesses *None Identified for Reporting*

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act? *No*

Identification of major State program:

Program Name

State Public School Fund
 Public School Capital Fund – Needs-Based Lottery

Dollar threshold used to distinguish between Major State Programs *\$ 500,000*

Auditee qualified as low-risk auditee? *Yes*

Section II - Financial Statement Findings

No findings were noted that are required to be reported under *Government Auditing Standards*.

Section III - Federal Award Findings and Questioned Costs

No findings and questioned costs related to the audit of federal awards aggregating \$25,000 or more were noted.

Section IV - State Award Findings and Questioned Costs

No findings and questioned costs related to the audit of State awards aggregating \$25,000 or more were noted.

**ASHEBORO CITY BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2025**

There were no audit findings reported in the prior year.

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Page 1 of 3

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Expenditures</u>
Federal Grants:			
<u>U.S. Department of Agriculture</u>			
Passed-through the N.C. Department of Agriculture:			
Child Nutrition Cluster:			
Noncash Assistance (Commodities):			
National School Lunch Program	10.555	PRC 035	\$ 198,540
Cash Assistance:			
School Breakfast Program	10.553	PRC 035	796,433
National School Lunch Program	10.555	PRC 035	2,189,360
After School Snack Program	10.555	PRC 035	32,906
Summer Food Service Program for Children	10.559	PRC 035	33,608
Cash Assistance Subtotal			<u>3,052,307</u>
Total Child Nutrition Cluster			<u>3,250,847</u>
Passed-through the N.C. Department of Health and Human Services:			
Child and Adult Care Food Program	10.558	PRC 035	<u>72,714</u>
Total U.S. Department of Agriculture			<u>3,323,561</u>
<u>U.S. Department of Education</u>			
Passed-through the N.C. Department of Public Instruction:			
Title I, Grants to Local Educational Agencies	84.010	PRC 050 & 115	1,488,512
Supporting Effective Instruction	84.367	PRC 103	255,956
Language Acquisition Grant	84.365	PRC 104	207,986
Language Acquisition Grant - Significant Increase	84.365	PRC 111	2,238
Student Support and Academic Enrichment	84.424	PRC 108	185,857
Title IV, Stronger Connections Grant	84.424F	PRC 145	404,706

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Page 2 of 3

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Expenditures</u>
Education Stabilization Fund:			
ARP:			
COVID-19 - ESSER III - K-12 Emergency Relief Fund	84.425D	PRC 181	360,542
COVID-19 - ESSER III - Homeless II	84.425W	PRC 184	28,938
COVID-19 - ESSER III - Summer Career Accel. Programs	84.425U	PRC 188	37,370
COVID-19 - ESSER III - Grants for Identification and Location of missing students	84.425U	PRC 191	25,900
COVID-19 - ESSER III - Cyberbullying & Suicide Prevention	84.425U	PRC 192	19,566
COVID-19 - ESSER III - National Board for Professional Teaching Standards (NBPTS) Certification Fee Reimbursement	84.425U	PRC 198	1,927
Total COVID-19 - Education Stabilization Fund	84.425		<u>474,243</u>
Special Education Cluster:			
Grants to States - IDEA, Part B (611)	84.027	PRC 060	1,096,231
Special Needs Targeted Assistance	84.027	PRC 118	12,217
Preschool Grants - IDEA, Part B (619)	84.173	PRC 049	45,145
Preschool Targeted Assistance	84.173	PRC 119	278
Total Special Education Cluster			<u>1,153,871</u>
Career and Technical Education - Basic Grants to States Program Development			
	84.048	PRC 017	<u>99,694</u>
Total U.S. Department of Education			<u>4,273,063</u>
<u>U.S. Department of Defense</u>			
Direct Program:			
ROTC	12.000	PRC 301	<u>79,438</u>
Total Federal Assistance			<u>7,676,062</u>

ASHEBORO CITY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Page 3 of 3

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Expenditures</u>
State Grants:			
N.C. Department of Public Instruction:			
Cash Assistance:			
State Public School Fund		Various	35,799,057
Career and Technical Education:			
State Months of Employment		PRC 013	1,790,762
Program Support Funds		PRC 014	75,133
Driver Training		PRC 012	73,830
School Technology Fund		PRC 015	31,265
Passed-through Randolph County:			
Public School Capital Fund - Needs-Based Lottery			6,115,053
Total N.C. Department of Public Instruction			<u>43,885,100</u>
N.C. Department of Health and Human Services			
Division of Child Development:			
Smart Start		PRC 401	58,500
State School Nurse Initiative		PRC 615	100,000
Total NC Department of Health and Human Services			<u>158,500</u>
Total State Assistance			<u>44,043,600</u>
Total Federal and State Assistance			<u>\$ 51,719,662</u>

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

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of Asheboro City Board of Education under the programs of the federal government and the State of North Carolina for the year ended June 30, 2025. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Asheboro City Board of Education, it is not intended to and does not present the financial position, changes in net assets or cash flows of Asheboro City Board of Education.

Note 2. Summary of Significant Accounting Policies

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

Asheboro City Board of Education has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



January 16, 2026

To the Board of Education – Asheboro City Schools
Asheboro, North Carolina

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Asheboro City Board of Education (the Board) for the year ended June 30, 2025, and have issued our report thereon dated January 16, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 31, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Board are described in Note 1 to the financial statements. As described in Note 5 to the financial statements, the Board implemented Governmental Accounting Standards Board (GASB) Statement 101, *Compensated Absences*, in the fiscal year ended June 30, 2025. The statement requires that governments recognize liabilities for sick leave that is attributable to services the employee has rendered, that accumulates and is more likely than not to be used. The implementation of the statement required the Board to restate beginning net position and fund net position as of June 30, 2024 to record beginning sick leave liabilities.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

- Management's estimate of depreciation expense is based on the assets' respective estimated useful lives. We evaluated the methods, assumptions and data used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of sick leave liabilities included in the liabilities reported for compensated absences is based on the district's estimated value of sick leave that will be used by employees as time off. We evaluated the methods, assumptions and data used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimates for the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pension and OPEB plans, and pension and OPEB expense are

based upon guidance provided by independent third parties. We have evaluated the methods, assumptions and data used by the third parties to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We noted no such misstatements as any significant adjustments made during the audit were brought to our attention by management.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 16, 2026.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

Auditing standards generally accepted in the United States of America and Government Auditing Standards requires independence for all audits. The two main principles of independence are: (1) do not perform nonattest services that involve making management decisions; and (2) do not audit your own work. No events have occurred to impair our independence during this year's audit. We have assisted management in the preparation of the Board's basic financial statements and the Schedule of Expenditures of Federal and State Awards. Management has reviewed and approved the basic financial statements and the Schedule of Expenditures of Federal and State Awards.

We applied certain limited procedures to Management Discussion and Analysis, the Schedules of the Board's Proportionate Share of the Net Pension Liability, OPEB Liabilities (Assets) and the Schedules of Board Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the individual fund budgetary schedules and the schedule of expenditures of federal and State awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restrictions on Use

This information is intended solely for the information and use of members of the Asheboro City Board of Education and management of the Board and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to express our appreciation for the assistance and cooperation given our representatives during our audit. Should you have any questions concerning the matters presented herein, we would be pleased to discuss them with you further at your convenience.

Very truly yours,

Anderson Smith & Wike PLLC

Anderson Smith & Wike PLLC
West End, North Carolina

Course Requests

February 12, 2026

Sarah Beth Cox
Career & Technical Education

CL13 Robotics I

- Focuses on engineering concepts.
- Students complete STEM based activities and projects delivered through the robotics platform of the district's choice.
- Recently added to the list of approved high school courses that can be taught at the middle school level to fulfill the computer science graduation requirement.



Teaching as a Profession Pathway

- **FE21 Teaching as a Profession Honors I**
- **FE 22 Teaching as a Profession Honors II**
- **FE23 Teaching as a Profession Field Experience Honors III**



Teaching as a Profession Honors I

- Historical background and development of education
- Aims of education
- Duties of the teacher
- Purpose and development of curriculum, facilities, control and support of schools
- Foundation understanding of :
 - Learners
 - The teaching environment
 - Impact on student achievement



Teaching as a Profession Honors II

- Exploring the role of the teacher and learner in the classroom environment
- Analyze instructional activities and their value in the classroom
- Discover the learning process
- Expand understanding of:
 - Learners
 - The teaching environment
 - Impact on student achievement



Teaching as a Profession Field Experience Honors III

- Practical application through hands-on field experience
- Facilitate learning opportunities for students aligning with the NC Standard course of study
- Assist cooperating teachers
- Develop pedagogical skills needed for effective teaching



Zoo School Course Requests

- Honors Botany
- Honors Geology



Questions?



Asheboro City Schools Calendar 2027-2028 DRAFT

July 2027						
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 2027						
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 2027						
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 2027						
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 2027						
S	M	T	W	T	F	S
		1	2	3	4	5
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 2027						
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						
S	M	T	W	T	F	S
5			1	2	3	4
12			8	9	10	11
13, 16-20			11	12	13	14
23			14	15	16	17
September			17	18	19	20
6			19	20	21	22
22			21	22	23	24
October			24	25	26	27
11			26	27	28	29
25			29	30	31	
November						
1						
11						
24						
25-26						
December						
17						
20						
21-22, 27-30						
23, 24, 31						
January						
14						
17						
18-19						
February						
21						
March						
1						
17						
18-19						
April						
10						
11-13, 17						
14						
May						
29						
June						
2						
5-6						
7						

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

March						
S	M	T	W	T	F	S
		1	2	3	4	5
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						
S	M	T	W	T	F	S
			1	2	3	4
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						
S	M	T	W	T	F	S
		1	2	3	4	5
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						
S	M	T	W	T	F	S
			1	2	3	4
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	

Procedures for Closing School Due To Inclement Weather

In addition to posting information on closing on the official website for Asheboro City Schools (www.asheboro.k12.nc.us), school closing information will be released to the following news media and social media sites:

TV: WFMY (2) WGHP (8) WXII (12) Spectrum News

SOCIAL MEDIA: Facebook (ACSBBlueComets) Twitter (@AsheboroSchools) Instagram (@asheboro_city_schools)

**There will be approximately a 45-minute delay between elementary and secondary dismissals in order for the buses to make their double runs.*

Makeup for Inclement Weather

Asheboro City Schools may determine that inclement weather make-up time is required. Days generally reserved include Teacher Workdays and Annual Vacation Leave Days. Make-up days will be utilized according to the educational needs and instructional programs of the Asheboro City Schools. Students, parents, and staff should plan accordingly.

Potential make-up days for staff and students may include:

Workdays:

Vacation/Annual Leave:

Saturdays: Only by Board Addendum

Saturdays: Only by Board Addendum

Feedback

- * First day back being optional
- * Fall Break
- * October 29th moved to November 1st

	Proposed Draft
Total Staff Days	215
Holidays	11+1
Annual Leave	10
Workdays	18
1st Quarter Days	44
2nd Quarter Days	44
3rd Quarter Days	44
4th Quarter Days	44
Total Student Days	176
Total Hours	1056
Early Release Days	4
Early Release Hours	12
Net Hours	1044
Banked Hours	19

	Proposed Draft
Total Staff Days	215
Holidays	11+1
Annual Leave	10
Workdays	18
1st Quarter Days	44
2nd Quarter Days	44
3rd Quarter Days	44
4th Quarter Days	44
Semester One Days	88
Semester Two Days	88
Total Student Days	176
Total Hours	1056
Early Release Hours	-12
Net Hours	1044
Banked Hours	19

ACS 2027-2028 Calendar for Approval

February 12, 2026

Michelle Harger
Director of Support Services

School Calendar Legislation

School Calendars must meet the following requirements:

- Start date no earlier than the Monday closest to August 26
- Cover at least nine (9) calendar months
- Must have a minimum of 185 days or 1,025 hours of instruction
- Must have at least nine (9) teacher workdays
- Two (2) designated workdays on which teachers may take accumulated vacation leave
- Minimum of ten (10) annual vacation leave days
- Same or equivalent number of holidays as required by the State Personnel Commission for State Employees (11 Holidays + July 4)
- End date no later than the Friday closest to June 11
- Must include 215 Teacher/Staff days



Calendar Balance & Days

Staff Days

Holidays - 11
Annual Leave - 10
Workdays - 18

Student Days

Quarter 1 - 44
Quarter 2 - 44
Quarter 3 - 44
Quarter 4 - 44

Total Hours - 1056
Early Release - 4 (12 Hours)
Net Hours - 1044
Banked Hours - 19



Key Elements in Proposed Draft



First day for teachers is
an optional workday



Fall Break in October



Teacher Workday in
early November



Last day of school &
Graduation on Friday, June 2nd



Feedback

The calendar was placed on the district website for a monthly review.

Feedback:

“I noticed on the proposed calendar for 2027-2028 school year that only two days (September 22 and March 1) were designated as Early Release days -- specifically for professional development. For the past several years, we have had 4 early release days for professional development. I think these professional development days will be essential in 2027-2028. This is the year that we will be implementing new ELA standards in the NCSCOS.”

“Could we consider making June 19 an ACS holiday since it is a federal holiday?”



Questions?



Recommended Calendar for approval



CALENDAR OF UPCOMING EVENTS - February 12, 2026 Board Meeting

Monday, February 16	All Day	Required Teacher Workday- Changed to school day due to inclement weather	All Schools
Tuesday, February 17	4:15-5:30 p.m.	SAMS Family Engagement Night	South Asheboro Middle School
Thursday, February 19	4:30-6:30 p.m.	Balfour Family Engagement Night	Balfour Elementary School
Thursday, February 19	5:00-6:00 p.m.	Teachey Family Engagement Night	Guy B. Teachey Elementary School
Thursday, February 19	5:00-6:30 p.m.	Loflin Family Engagement Night	Donna Lee Loflin Elementary School
Friday, February 20	6:00 p.m.	All County Band	AHS Performance Arts Center
Saturday, February 21	8:00 a.m.-2:00 p.m.	Board of Education Retreat	Professional Development Center
Thursday, February 26	5:30-7:00 p.m.	McCrary Family Engagement Night	Charles W. McCrary Elementary School
Monday, March 2	6:00 p.m.	Randolph County Commissioners Meeting	Old Historic Courthouse
Tuesday, March 3	4:00-6:00 p.m.	Youth Art Reception	Randolph Arts Guild
Tuesday, March 3	5:30-7:00 p.m.	AHS Family Engagement Night	Asheboro High School
Thursday, March 5	5:00-6:30 p.m.	Lindley Park Family Engagement Night	Lindley Park Elementary School
Thursday, March 10	9:00 a.m.	District Spanish Spelling Bee	North Asheboro Middle School Theater
Tuesday, March 10	4:00-6:30 p.m.	Kindergarten Registration	All Elementary Schools
Wednesday, March 11	9:00 a.m.	Middle School Battle of the Books	North Asheboro Middle School Theater
Thursday, March 12- Sunday, March 15	All Day	COSSBA Conference for Board of Education	Louisville, Kentucky
Friday, March 13	9:30 a.m.	Elementary Battle of the Books	Lindley Park Elementary School
Tuesday, March 17	5:30-7:00 p.m.	SAMS Family Engagement Night	South Asheboro Middle School
Tuesday, March 17	7:00 p.m.	Middle School Bands MPA Showcase Concert	Performing Arts Center
Wednesday, March 18	3:30-5:30 p.m.	Future Chef Competition	Balfour Elementary School
Thursday, March 19	6:30 p.m.	Board of Education Meeting	Professional Development Center
Thursday, March 19	7:00 p.m.	AHS Band MPA Showcase Concert	Performing Arts Center
Friday, March 20	8:00-11:00 a.m.	Balfour Career Day	Balfour Elementary School
Tuesday, March 24	10:00 a.m.	Greensboro Symphony Concert for Balfour, McCrary, Donna Lee Loflin Elementary Schools-4th & 5th Grades	Tanger Center
Wednesday, March 25	10:00 a.m.	Greensboro Symphony Concert for Teachey and Lindley Park-4th & 5th Grades	Tanger Center
Wednesday, March 25	4:00-6:00 p.m.	ECDC Family Engagement Night	Early Childhood Development Center
Wednesday, March 25	5:00-6:30 p.m.	NAMS Family Engagement Night	North Asheboro Middle School
Friday, March 27	8:00-10:00 a.m.	ACS Annual Legislative Breakfast	Professional Development Center
Friday, March 27	8:00 a.m.-12:00 p.m.	Donna Lee Loflin Career Day	Donna Lee Loflin Elementary School