



DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE
WASHINGTON, DC 20227

March 17, 2021

Linda Combs
State Controller
State of North Carolina
3512 Bush Street
Raleigh, NC 27699-1410

Dear Ms. Combs:

This letter is to advise you that the Bureau of Fiscal Service (Fiscal Service) has reviewed your Annual Report for Fiscal Year 2020 which was provided under the provisions of the Cash Management Improvement Act (CMIA) of 1990 (P.L. 102-453).

Under 31 CFR 205.28 of the Department of the Treasury, Fiscal Service Regulations, Fiscal Service is required to determine CMIA Federal/State net interest liabilities, evaluate Interest Calculation Cost claims, and exchange net interest no later than March 31st of each year. Based on the information provided in your Annual Report, **your State has a net State interest liability of \$737,203 due to the Federal government.** Enclosed with this letter is a statement of the net interest liability calculation (*see the Fiscal Service Certification of Net Payment Due*) that includes the approved **\$59,607** Interest Calculation Cost amount.

The net State interest liability payment to the Federal government must be processed for settlement no later than March 31, 2021. The State's net interest liability should be paid using either the Automated Clearing House (ACH) Network or Fedwire (see our payment instructions provided to you in our February 25, 2021 letter). Fiscal Service will do the accounting transactions to make net adjustments for all trust fund programs.

In the event that you disagree with our determinations, please contact us immediately so that we can address your disagreement. If this informal review is not satisfactory, you may dispute our determination under the provisions of 31 CFR 205.31. In order to support an appeal, it is essential that you provide the documentation that we requested in our November 17, 2020 letter.

Thank you for your cooperation in this important partnership to ensure efficiency, effectiveness and equity in the cash management of Federal grant payments. If you have any questions, please do not hesitate to contact me at (202) 874-7055.

Sincerely,

Mary N. Bailey
Director, CMIA Division
Revenue Collections Management

Enclosure