



State of North Carolina

Office of the State Controller

DAVID T. MCCOY
STATE CONTROLLER

April 29, 2011

Memorandum

To: Chief Fiscal Officers
Vice Chancellors

From: David McCoy *David McCoy*

Subject: 2011 Year-end Close Package

In accordance with General Statute §143B-426.40H, the 2011 year-end CAFR package is due to the Office of the State Controller (OSC) by August 29, 2011. The CAFR package and letter of certification should be e-mailed to cafr@osc.nc.gov and to your agency's OSC analyst.

The 401(K) Supplemental Retirement Income Plan, Deferred Compensation Plan, and North Carolina Railroad Company are required to have a financial audit for the year ended December 31, 2010, and to submit an electronic file of their audit report with the CAFR package, in accordance with the Office of the State Controller's Submission of Audit Reports policy:

http://www.ncosc.net/sigdocs/sig_docs/documentation/policies_procedures/Submission_of_Audit_Reports_Policy_revised_3-31-11.pdf

The following entities that will have separately issued and audited financial statements for the year ended June 30, 2011, are required to submit an electronic file of their audit report by September 30, 2011: North Carolina Housing Finance Agency, individual entities that comprise the combined UNC Health Care System reporting unit, Golden LEAF, State Education Assistance Authority, Rural Economic Development Center, NC Biotechnology Center, and the Regional Economic Development Commissions. The Audit Report Transmittal Form along with any updated CAFR worksheets must also be submitted to reflect any changes in the audit report that were not included in the initial CAFR package. These requirements are consistent with the Office of State Controller's Submission of Audit Reports policy (see link above). The audit report, transmittal form and updated worksheets should be e-mailed to cafr@osc.nc.gov and to your agency's OSC analyst.

All universities, UNC Hospitals, and the North Carolina Education Lottery are required to submit an electronic file of their formal notes to the financial statements by September 30, 2011. The formal notes should likewise be e-mailed to cafr@osc.nc.gov and to your agency's OSC analyst.

In addition, all component units of the State of North Carolina that issue separate financial statements and are audited by the Office of the State Auditor, are required to prepare formal financial statements, formal notes to the financial statements, management's discussion and analysis, and required supplementary information (if applicable) in accordance with generally accepted accounting principles (GAAP). The component units are required to have these documents complete and made available to the State Auditor by September 30, 2011 and to disclose in their letter of certification to the State Controller that they are in compliance with this requirement.

Your timely completion of the accrual process, financial statements, and footnote worksheets will significantly improve our ability to prepare the 2011 CAFR for the State of North Carolina.

This office will provide a statewide accrual file to the Office of the State Auditor by September 15, 2011, and therefore must insist that you strictly adhere to the accrual closing deadline of August 29, 2011. Late submission of the CAFR package constitutes noncompliance with General Statute § 143B-426.40H.

The 2011 year-end close package is on the Office of the State Controller's website at the following address: http://www.osc.nc.gov/forms_policies/cafr_forms.html. The associated files are available for downloading as indicated in the instructions on our web page.

The year-end close package consists of the following:

(Attachment 1) Agency Year End Activity Check List and Instructions

(Attachment 2) Letter of Certification

(Attachment 3) CAFR Year End Worksheets

(Attachment 4) Single Audit Reporting Package (submit separately per instructions)

(Attachment 5) Foundation Conversion Template (Universities only; due September 15, 2011)

(Attachment 6) CAFR Package Narratives

(Attachment 7) Audit Report Transmittal Form (due September 30, 2011, if applicable)

If you have any questions regarding these year-end procedures, please contact your analyst at the Office of the State Controller. Your assistance and cooperation is greatly appreciated.

Thank you.

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