



State of North Carolina

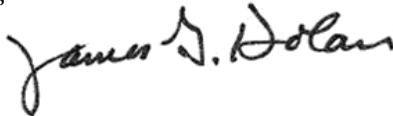
Office of the State Controller

JAMES G. DOLAN
ACTING STATE CONTROLLER

April 29, 2014

MEMORANDUM

TO: Chief Fiscal Officers
Vice Chancellors

FROM: James G. Dolan 

SUBJECT: 2014 Year-end Close Package

In accordance with General Statute §143B-426.40H, the 2014 year-end Comprehensive Annual Financial Report (CAFR) package is due to the Office of the State Controller (OSC) by August 21, 2014 for the following Tier 1 entities:

- General Assembly,
- Office of the Lieutenant Governor,
- Secretary of State,
- Office of the State Auditor,
- Department of Labor,
- Office of the State Controller,
- Wildlife Resources Commission,
- State Board of Elections,
- Office of Administrative Hearings,
- USS North Carolina Battleship Commission,
- Deferred Compensation Plan,
- 401(k) Supplemental Retirement Income Plan,
- North Carolina Ports Authority, and
- the North Carolina Railroad Company.

The due date for Tier 2 entities, August 26, 2014:

- Department of Justice,
- North Carolina Community College System Office,
- State Education Assistance Authority,
- Golden Leaf, Inc., and
- All entities comprising the University of North Carolina (UNC) System.

The due date for all other entities is August 28, 2014. 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 the North Carolina Railroad Company are required to have a financial audit for the year ended December 31, 2013, 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. The policy can be found at: http://www.osc.nc.gov/policy/AFR/105.4_Submission_of_Audit_Reports_Policy.pdf.

The following entities that will have separately issued and audited financial statements for the year ended June 30, 2014, are required to submit an electronic file of their audit report by September 30, 2014:

- North Carolina Housing Finance Agency,
- Entities of the UNC Healthcare System that are not audited by the State Auditor
- Golden LEAF, Inc.
- State Education Assistance Authority,
- Rural Economic Development Center,
- North Carolina Biotechnology Center,
- North Carolina Turnpike Authority, and
- the Centennial Authority.

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.

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 19, 2014. The formal notes should likewise be e-mailed to cafr@osc.nc.gov.

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 19, 2014 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 2014 CAFR for the State of North Carolina. This office will provide a statewide accrual file to the Office of the State Auditor by September 5, 2014, and therefore must insist that you strictly adhere to the year-end due dates specified for your agency. Late submission of the CAFR package constitutes noncompliance with General Statute §143B-426.40H.

The 2014 year-end CAFR 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 CAFR package consists of the following:

- Agency Year-end Activity Checklist and Instructions,
- Letter of Certification,
- CAFR Year-end Worksheets,
- Foundation Conversion Template (Universities only; due September 10, 2014),
- CAFR Package Narratives, and
- the Audit Report Transmittal (submit in accordance with policy, if applicable).

The update for the 2014 Single Audit Reporting Package is still in progress. You will be notified when it is complete. The Single Audit Reporting Package will have the same deadline as the agency's CAFR package.

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

Thank you.

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