



State of North Carolina Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

March 01 , 2006

MEMORANDUM NO. SAD 06-19

TO: Chief Executive Officers
University Chancellors
Community College Presidents
Superintendents

FROM: Robert L. Powell, State Controller

SUBJECT: Delegation of Disbursing Authority and Cash Management Plan

The Office of the State Controller has statutory responsibility for disbursements and cash management in state government. As allowed by law, the State Controller has elected to delegate some of this authority to various state entities who agree to certain legal, accounting and internal control compliance standards.

By law, the State Controller may authorize a state agency to make expenditures through a disbursing account. To make such an authorization, the State Controller requires the completion by agencies of the Delegation of Disbursing Authority form on an annual basis.

By this memorandum, we request that you complete and sign this form (http://www.ncosc.net/sigdocs/sig_docs/cash_mgmt/disbursing.html) and submit it in original duplicate to the OSC by March 31, 2006. When approved, an original form signed by the State Controller will be returned to you by letter.

Also by law, the Office of the State Controller is required to develop, implement and amend as necessary a uniform statewide plan to carry out state cash management policy for all state agencies. By this same law, agencies are required to devise techniques and procedures for the receipt, deposit, and disbursement of moneys coming into their control and custody consistent with the state plan. For these purposes, the Office of State Controller requires agencies to: (1) develop a cash management plan; (2) complete annually a Cash Management Plan Review Checklist; and (3) submit any plan changes to OSC for approval.

Due to new state cash management policies relating to accounts receivable, electronic commerce and procurement cards, numerous changes may be necessary in an agency's plan. OSC has provided a cash management plan template to assist in identifying necessary changes. Template information in

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LOCATION
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black must be included in your plan. Template information in red should be replaced with your agency's specific policies and procedures.

By this memorandum, we request that you review and update your agency's cash management plan as necessary using the aforementioned checklist and template (http://www.ncosc.net/sigdocs/sig_docs/cash_mgmt/sect_4.html). By March 31, 2006, please submit the completed checklist and revised cash management plan in original duplicate for review and approval. When approved, an original plan signed by the State Controller will be returned to you by letter. An approved agency cash management plan is necessary for the State Controller to approve an agency's request for delegation of disbursing authority previously discussed.

Please send all requested documents to the attention of Ms. Melody Tart, Office of the State Controller, 1410 Mail Service Center, Raleigh, N.C., 27699-1410. Ms. Tart may be contacted at (919) 981-5486 or via e-mail at mtart@ncosc.net, if you have any questions. We greatly appreciate your timely cooperation in these matters.