

*Sample Accrual Closing Certification Memo
From Agency to Office of the State Controller*

PREPARE ON AGENCY LETTERHEAD

(Date)

MEMORANDUM

TO: Edward Renfrow
State Controller

FROM: (Insert Name of Chief Fiscal Officer)
(Insert Name of Agency/Institution)

SUBJECT: Accrual Closing Certification for the
Fiscal Year Ended June 30, 199X

This is to certify that (Insert Name of Agency) has completed the accrual process for the year ended June 30, 199X and will require no further updating of the North Carolina Accounting System (NCAS), and that the NCAS financial statements in the Smartstream Decision Support System are correct.

Chief Fiscal Officer/Vice Chancellor

*Sample Internal Control Certification Memo
From Agency to Office of the State Controller*

PREPARE ON AGENCY LETTERHEAD

(Date)

MEMORANDUM

TO: Edward Renfrow
State Controller

FROM: (Insert Name of Chief Fiscal Officer/University Internal Auditor/Business Manager)
(Insert Name of Agency/Institution)

SUBJECT: Internal Control Certification for the
Fiscal Year Ended June 30, 199X

This is to certify that (Insert Name of Agency) has completed the internal control questionnaire for the year ended June 30, 199X and corrective action has been implemented for problems noted during the review. A copy of the questionnaire will be maintained for review by the Office of the State Controller and the Office of the State Auditor.

Chief Fiscal Officer/University Internal Auditor/Business Manager

Sample Transmittal Letter
From Agency to Office of the State Controller

PREPARE ON AGENCY LETTERHEAD

(Date)

Mr. Edward Renfrow
State Controller
3512 Bush Street
Raleigh, North Carolina 27609-7509

Dear Mr. Renfrow:

In accordance with G. S. 143-20.1, I herewith submit the financial statements of (Insert Agency Name) for the fiscal year ended June 30, 199X.

With regard to the above referenced financial statements, I attest that the financial statements and accompanying notes have been prepared in accordance with generally accepted accounting principles applied on a basis consistent with the prior year and that no material unrecorded assets, liabilities, reserves, fund equities, revenues or expenditures (expenses) or departures from generally accepted accounting principles exist except as disclosed in the accompanying notes. The footnotes are presented in the format prescribed by your office.

Additionally, I herewith submit the letter of representation to the Office of the State Controller for the fiscal year ended June 30, 199X.

Sincerely,

(Insert Name of Agency Director)

*Sample Letter of Representation
From Your Agency to the Office of the State Controller*

PREPARE ON AGENCY LETTERHEAD

(Date)

Mr. Edward Renfrow
State Controller
3512 Bush Street
Raleigh, North Carolina 27609-7509

Dear Mr. Renfrow:

In connection with your compilation of the North Carolina Comprehensive Annual Financial Report (CAFR) as of June 30, 199X and for the fiscal year then ended for the purpose of presenting fairly the financial position, results of operations, cash flows, and current funds revenues, expenditures and other changes of the State in conformity with generally accepted accounting principles, we confirm, to the best of our knowledge and belief, the following representations related to *(insert agency/university/community college name)*.

1. We are responsible for the fair presentation of the financial statements of financial position, results of operations, cash flows, and current funds revenues, expenditures and other changes in conformity with generally accepted accounting principles and in compliance with rules and regulations and for representing to the Office of the State Controller that these financial statements have been prepared accordingly.
2. We have prepared the NCAS General Ledger in accordance with generally accepted accounting principles and our *(agency/university/college)* financial statements are fully supported by the General Ledger.
3. The following are available for the State Auditor:
 - a. Financial records and related data;
 - b. Minutes of board meetings and/or summaries of actions of recent meetings for which minutes have not yet been prepared; and,
 - c. Lease agreements, bond resolutions and related data.
4. We have systems and procedures designed to detect abuse of agency assets. Such assets include motor vehicles, office supplies, postage, telephones and copying machines. Moreover, we have detected no significant instances of such abuse.
5. There have been no:
 - a. Irregularities involving management or employees who have significant roles in the system of internal accounting control; and,

- b. Irregularities involving other employees that could have a material effect on the financial statements of this (*agency/university/college*) or a State or federal program administered by this (*agency/university/college*).
6. We have no plans or intentions that may materially affect the carrying value or classifications of assets and liabilities.
7. The following have been properly recorded or disclosed in the financial statements or in the related notes:
 - a. Related party transactions and related amounts receivable or payable, including sales, services, purchases, loans, transfers, leasing arrangements, and guarantees;
 - b. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements; and,
 - c. Agreements to repurchase assets previously sold.
8. There are no:
 - a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements of the (*agency/university/college*) or as a basis for recording a loss contingency;
 - b. Unasserted claims or assessments (including civil rights violations) that the Attorney General's Office or other legal counsel has advised are probable of assertion and must be disclosed in accordance with *Statement of Financial Accounting Standards No. 5*; and,
 - c. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by *Statement of Financial Accounting Standards No. 5*.
9. There have been no:
 - a. Errors or unrecorded transactions that could have a material effect on the financial statements.
 - b. Events that have occurred subsequent to the balance sheet date that would require adjustments to, or disclosure in, the financial statements.
10. The accounting records underlying the financial statements accurately and fairly reflect, in reasonable detail, the transactions of this (*agency/university/college*).
11. Provision, when material, has been made to reduce excess or obsolete inventories to their estimated net realizable value.
12. The (*agency/university/college*) has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged.
13. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance.

(*Insert Name*), Director
(*Name of Agency*)

(*Insert Name*)
(*Title; i.e.; Chief Fiscal Officer*)