



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
H. Martin Lancaster, President

July 31, 2008

MEMORANDUM

IMPORTANT!
Deadline: August 14, 2008

TO: Non-Profit Organizations

FROM: Brandy Andrews, Manager of State-Aid

SUBJECT: G.S. 143-6.2 – Reporting Notification, Conflict of Interest and Certification of No Overdue Tax Debt

G.S. 143-6.2 requires all non-state entities (grantees) receiving and expending state and/or federal flow through funds adhere to reporting requirements outlined in the Statute. Therefore, this memorandum is notifying each non-profit agency of the following.

Each grantee must access the Office of the State Auditor's (OSA) web page to review reporting requirement information and view reporting form templates. **As a reminder, it is the grantee's responsibility to understand and comply with G.S. 143-6.2.** (<http://www.ncauditor.net/NonProfitSite/regulations.aspx>)

Submit a **Conflict of Interest Policy** that has been adopted by the grantee's board of directors showing that the grantee has an approved policy defining conflict of interest, as defined by G.S. 143C-6.23 (b). The policy must be signed, dated, and a copy of the minutes from the meeting approving the policy must be attached to the policy when received at the System Office. Disbursements/reimbursements will not be made by our office until the conflict of interest policy requirements are met. (See G.S. 143-6.2 (b) (b1) located on the OSA's web page.)

Submit a **State Grant Certification – No Overdue Tax Debt** statement completed by the grantee's board of directors stating that the grantee does not have any overdue tax debts, as defined by G.S. 105-243.1, at the federal, state, or local level. The written statement shall be made under oath and shall be filed before grant funds can be disbursed. (See G.S. 143-6.2 (b) (b2) located on the OSA's web page.)

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E-Mail

Non-Profit Organizations
July 31, 2008
Page 2

These forms must be completed by each grantee receiving state and/or federal funds from the North Carolina Community College System or other state agency. An original and one copy of these forms must be returned via ground mail, **not email**, with required signatures no later than **Thursday, August 14** to the following address:

**Mrs. Gina Sampson
Accountant, State-Aid
North Carolina Community College System
5013 Mail Service Center
Raleigh, NC 27699-5013**

Grantees are currently not required to apply Sarbanes-Oxley federal legislation, but are strongly encouraged to implement some of the aspects such as forming an audit committee composed of persons knowledgeable about accounting, establishing a code of ethics, establishing a whistle blower policy, and developing and adopting a retention manual.

As a reminder, failure to submit the required data will result in the System Office withholding reimbursement. Additional information will follow under separate mailing and numbered memorandum regarding other reporting requirements outlined in the general statute.

If you have questions, please feel free to contact me or access the North Carolina Office of the State Auditor web site for additional information.

/gcs

Attachments

pc: Alice Smith
Brandy Andrews
Randy Whitfield
Karen Brown