



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
H. Martin Lancaster, President

March 2, 2001

MEMORANDUM

IMPORTANT INFORMATION!

TO: Chief Fiscal Officers
Controllers/Bookkeepers

FROM: Larry Morgan, Director of Auditing & Accounting

SUBJECT: Cash Certification for the Remainder of Fiscal Year 2000-01

In an attempt to comply with Governor Easley's Executive Order Number 3, the process in which cash certifications are processed will change for the remainder of this fiscal year. Beginning March 1, cash certifications will be certified as follows:

- Current operating general expense certifications normally processed by the 5th of each month will be certified along with capital outlay certifications around the 15th. Colleges will be notified by email that funds have been certified as usual.
- If your 112 report reflects a positive current operating cash balance: Cash balances from the prior month will be deducted from the general expense current certification. This deduction was reduced from your payroll certification in prior months.
- If your 112 report reflects a positive capital outlay cash balance: Cash balances from the prior month will be deducted from the capital outlay certification as usual.
- Cash balances in excess of your certification request will result in a negative certification for the difference.
- Payroll certifications will be certified in full based on your quarterly payroll projections. These certifications will be processed on or before the 25th as usual. Colleges will also be notified by email that funds have been certified as usual.

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E-Mail

- If your 112 report reflects a negative cash balance: Negative cash balances should not occur, however, in the event that a negative cash balance(s) is submitted for either/or current operating and/or capital outlay, cash will be certified as requested on your quarterly projection as usual. Colleges should not expect or request supplemental certification to cover negative cash balances.
- At the present time, we do not anticipate a cash shortage, but it is a possibility that sufficient cash will not be available to cover supplemental requests. If you have a need for additional HB275 funds above your requests, let us know as soon as possible. This funding source is receipt supported and results in this office processing cash requests differently.
- Month-end report packets and electronic transmissions are due into this office by the 5th. *Certifications will not be processed until monthly reports are received and audited.*
- Prior to submitting your month-end packet and electronic transmission, verify that your certificates of deposits equal the current month column on the report of receipts and deposits page of the 112 report.
- Do not release state check(s) until you have received confirmation from this office that funds have been certified into your disbursing account.
- Cash transfers between current operating and capital outlay will be processed as usual.
- This process is in effect through June 30, 2001.

To adhere to the Governor's Executive Order, college disbursements are to be closely monitored and prioritized so that **college payrolls are met first**. As you can see, we not only have a budget concern, but we also have a cash concern. Please limit your discretionary current expense expenditures, where possible to do so.

If you have questions, please contact me, Alice Smith, or Annette Dishner.

LLM/ALS/ahd

pc: Presidents
 Kennon Briggs
 Alice Smith
 Annette Dishner