



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

Office of the Controller T 919-962-1370
CB# 1270, 104 Airport Drive, Suite 3200 F 919-962-4140
Chapel Hill, NC 27599-1270

February 6, 2006

To: Deans, Directors, and Department Chairs

From: Dennis Press *DAR*
University Controller

Re: Daily Deposit and Reporting Requirements Follow-up

My memoranda dated April 5, 2005 and June 10, 2005 to you regarding **Daily Deposit and Reporting Requirements** noted that the daily depositing of funds and maintaining sufficient internal controls for funds are important components of the University cash management and internal control programs. The memoranda also referenced the reportable audit finding by the N.C Office of the State Auditor regarding the inadequacy of controls over the receipting process and lack of timely deposits for seven departments that were in the audit test sample for the fiscal year ended June 30, 2004.

The audit of our campus' financial records for the fiscal year ended June 30, 2005 included a follow-up review by the N.C Office of the State Auditor to test compliance with the requirement for daily depositing of funds and maintaining sufficient internal controls for funds. The audit results indicate that there is not an audit finding regarding compliance with daily deposit and reporting requirements for the fiscal year ended June 30, 2005. Some of the departmental deposits that were in the audit sample did require some follow-up discussions between my office and departmental business managers, but the issues were satisfactorily resolved. It is anticipated that the audit for the current fiscal year will again include a review of deposits made by campus departments. Your continued diligence in ensuring that your unit has sufficient controls over the receipting process and makes timely deposits is appreciated.

Questions on financial control issues may be addressed to Stan Koziol, Financial Controls Manager, at 962-1363 or Stan_Koziol@unc.edu. Thank you for your continued assistance.

cc: Business Managers Listserve