MEMORANDUM

To: Representatives of University-Associated Entities

From: Matthew M. Fajack
Vice Chancellor for Finance and Administration

Re: University-Associated Entities: Annual Transmittal of Required Documents for 2014

Date: September 5, 2014

This memorandum is the annual request for certain documents that University-Associated Entities (AE’s) are required to provide. As you know, the Board of Governors’ (BOG) policy on University-Associated Entities was effective July 1, 2006. AE’s previously provided the materials for fiscal or calendar year-ends 2006 through 2013. This request is for materials for fiscal or calendar year-end 2014. As indicated in Vice Chancellor David Routh’s memorandum dated August 6, 2014 to each AE, there are recently approved revisions to the policy regarding UNC Required Elements of University-Associated Entity Relationship. The revisions are effective January 1, 2015, and the AE materials collected for fiscal or calendar year-end 2015 will be modified consistent with the new policy.

The current BOG policy places certain responsibilities on the University and on each AE for fiscal or calendar year-end 2014. A required element is the annual submission of certain documents by each AE to the University. Adherence to certain financial controls and to other requirements is also necessary. In order to comply with the policy and on behalf of the Chancellor, I request that you provide electronic copies (PDF format preferred) of the following documents:

1) A list of all members of the AE’s board;

2) The publicly disclosed portion of the AE’s Form 990, or other series 990 form, for the year ended June 30, 2014 or December 31, 2014;

3) The AE’s CPA audit report and related management letters and responses to management letters for the year ended June 30, 2014 or December 31, 2014; and
4) The completed and signed *Certification of Financial Issues* checklist. The checklist is located at: [http://finance.unc.edu/controller/resources/](http://finance.unc.edu/controller/resources/)

These documents should be sent by email to Kevin Walker, Associate University Controller, at Kevin.Walker@unc.edu. The documents noted in items 3 and 4 are more time sensitive. Please send the audit report, the related management letters and responses to management letters, and the *Certification of Financial Issues* for entities with a June 30 year-end no later than December 12, 2014, even though the tax returns may not be available until a later date. For calendar year AE’s, the deadline is May 12, 2015. Appropriate materials for each AE will be submitted to the Chancellor, the Board of Trustees, and the President.

The *Certification of Financial Issues* checklist indicates that information required for tax reporting on the W-2 forms of University employees for salary and non-salary compensation shall be provided to the University Controller’s Office. If your AE provides a University employee the use of a vehicle, pays for club memberships for personal use, or provides other taxable compensation; please contact Kevin at Kevin.Walker@unc.edu or 919-843-1063 no later than October 2, 2014. The University employee will be provided a form for completion so the compensation may be reported on the University employee’s W-2 form for calendar year 2014.

The Board of Governors’ policy also requires, upon request and for an appropriate purpose, AE’s to provide certain other documents for review. There are no other documents being requested at this time. Should the Chancellor, the President, or the Chair of the Board of Trustees request other required documents, a separate communication will be provided to you.

Questions that you or others may have should be directed to Kevin Walker or Dennis Press at 962-7007 or dennis.press@unc.edu. The BOG policy helps ensure the financial integrity of the relationship between the University and each Associated Entity.

Thank you for your assistance in this important matter.

cc: Chancellor Carol Folt  
    David S. Routh  
    Kevin R. Seitz  
    Leslie Chambers Strohm