Attachment C
Notice of Certain Reporting and Audit Requirements
Sponsored Centers

Grantee shall comply with all rules and reporting requirements established by statute or administrative rules. All reports must be submitted to the addresses below.

The applicable prescribed requirements are found in North Carolina General Statute 143C-6-22 & 23 entitled "Use of State Funds by Non-State Entities" and Implementation of Required Rules, 09 NCAC 03M .0102 -0802, North Carolina Administrative Code, issued September 2005.

The Contractor's fiscal year runs from **1.** _____ to **2.** _____.

G.S. 143C-6-23 requires every nongovernmental entity that receives State or Federal pass-through grant funds directly from a State agency to file annual reports on how those grant funds were used. There are 3 reporting levels which are determined by the total direct grant receipts from all State agencies in your fiscal year:

- Level 1: Less than $25,000
- Level 2: At least $25,000 but less than $500,000
- Level 3: $500,000 or more

A grantee's reporting date is determined by its fiscal year end and the total funding received directly from all State agencies. For those grantees receiving less than $500,000, the due date is 6 months from its fiscal year end. For those receiving $500,000 or more, the due date is 9 months from its fiscal year end. In addition to the reports, grantees receiving $500,000 or more must submit a yellow book audit in electronic or hard copy to the Office of the State Auditor and to all funding State agencies at the addresses below.

All annual grantee reports required by GS 143C-6-23 must be completed online at www.NCGrants.gov. The online reporting system will automatically place your organization on the Noncompliance list if your reports have not been completed in www.NCGrants.gov by your required due date.

To access the online grants reporting system go to www.NCGrants.gov and click on the LOGIN tab at the top of the page. You must have a NCID to access the online reporting system. To obtain a user manual or request assistance with the system please go to https://www.ncgrants.gov/NCGrants/Help.jsp. You can also email requests for assistance directly to NCGrants@osbm.nc.gov.

Once you have logged in you will see your "Grantee Summary / Data Entry Screen".

- Your summary screen will identify your correct level of reporting, i.e., Level 1, 2 or 3, based on the State grant funds paid to your organization during your fiscal year.
- The summary will show all the grants contained in the www.NCGrants.gov system that have been awarded to your organization. The program will automatically provide links to the reports that correspond to your reporting level, and only those reports, for each grant. Check to make sure that the grant(s) shown in the system correspond with what you show as having received from each agency for your fiscal year.
- If you have questions, need help in resolving any differences between your records and online reporting system or need corrections to be made to the data you enter, send an e-mail to NCGrants@osbm.nc.gov to request help.

All grantees must file their required reports online at www.NCGrants.gov without exception.

IMPORTANT NOTE FOR AUDITS

If you expend more than $500,000 in Federal grant funds from all sources, then you must have an A-133 single audit performed. If you are at this level for federal reporting and you are required to file a yellow book audit with the State under G.S. 143C-6-23, then you may substitute the A-133 audit for the yellow book audit.

If you are required to have an A-133 audit performed and you receive any Federal grant funds passed through the North Carolina Department of Health and Human Services, you are required to file the A-133 audit with the North Carolina Department of Health and Human Service.

If you expend more than $500,000 and you are required to file a yellow book audit with the State Auditor under G.S. 143C-6-23, then you are also required to file the yellow book audit with the North Carolina Department of Health and Human Service.

A planned enhancement to the system is the capability for the grantee to directly upload a pdf version of their audit directly into the online system where it will be accessible to both the funding agency/agencies and the Office of the State Auditor.

Please send the required audit to the following address:

Mail to: DHHS Office of the Controller
Attention: Audit Resolution
2019 Mail Service Center
Raleigh, NC 27699-2019

Or direct delivery to: 1050 Umstead Drive
Raleigh, NC 27606

Equipment Purchased with Contract Funds:

Title to equipment costing in excess of $500.00 acquired by the Contractor with funds from this contract shall vest in the Contractor, subject to the following conditions.

A. The Contractor shall use the equipment in the project or program for which it was acquired as long as needed. When equipment is no longer needed for the original project or program or if operations are discontinued, or at the termination of this contract the Contractor shall contact the Division for written instructions regarding disposition of equipment.

B. With the prior written approval of the Division, the Contractor may use the equipment to be replaced as trade-in against replacement equipment or may sell said equipment and use the proceeds to offset the costs of replacement equipment.

C. For equipment costing in excess of $500.00, equipment controls and procedures shall include at a minimum the following:

1. Detailed equipment records shall be maintained which accurately include the:

a. Description and location of the equipment, serial number, acquisition date/cost, useful life and depreciation rate;

b. Source/percentage of funding for purchase and restrictions as to use or disposition; and

c. Disposition data, which includes date of disposal and sales price or method used to determine fair market value.

2. Equipment shall be assigned a control number in the accounting records and shall be tagged individually with a permanent identification number.

3. Biennially, a physical inventory of equipment shall be taken and results compared to accounting and fixed asset records. Any discrepancy shall immediately be brought to the attention of management and the governing board.

4. A control system shall be in place to ensure adequate safeguards to prevent loss, damage, or theft of equipment and shall provide for full documentation and investigation of any loss or theft.

5. Adequate maintenance procedures shall be implemented to ensure that equipment is maintained in good condition.

6. Procedures shall be implemented which ensure that adequate insurance coverage is maintained on all equipment. A review of coverage amounts shall be conducted on a periodic basis, preferably at least annually.

D. The Contractor shall ensure all subcontractors are notified of their responsibility to comply with the equipment conditions specified in this section.

Reporting Requirements of N. C. General Statute 143C-6.23

Use these charts to determine GS 143C-6.23 reporting requirements.

Total Funds from All State Agencies	**Reports Due** (Key all reports into online reporting system at www.NCGrants.gov , including online submission of the audit when the system has the capability). Until that point, audits should be mailed to both the Office of the State Auditor and the NC Department of Health and Human Services (DHHS).)	**Reports Due Date**
Level 1 $1 - $24,999	• Certification • State Grants Compliance Reporting Receipt of < $25,000.*	Within 6 months of entity's fiscal year end
Level 2 $25,000 - $499,999	• Certification • State Grants Compliance Reporting Receipt of >= $25,000 • Schedule of Receipts and Expenditures* • Program Activities and Accomplishments	Within 6 months of entity's fiscal year end
Level 3 $500,000 or more	• Certification • State Grants Compliance Reporting Receipt of >= $25,000 • Audit [A-133 Single Audit if >= $500,000 in federal funds or Yellow Book Audit] • Schedule of Federal and State Awards (May be included in the audit) • Program Activities and Accomplishments	Within 9 months of entity's fiscal year end

Use this chart to determine where to send copies of GS 143C-6.23 reports.

Grantees receiving $500,000 or more must send one copy of each audit report to DHHS.	Mail to: DHHS Office of the Controller Attention: Audit Resolution 2019 Mail Service Center Raleigh, NC 27699-2019 Or direct delivery to: 1050 Umstead Drive Raleigh, NC 27606
Grantees receiving $500,000 or more must send one copy of each audit report to the State Auditor. In addition, grantees must submit copies of their audits to www.NCGrants.gov for compliance purposes.	Mail to: Office of the State Auditor 20601 Mail Service Center Raleigh, NC 27699-0601 Or direct delivery to: 2 South Salisbury Street Raleigh, NC 27603

Reporting Requirements of N. C. General Statute 143C-6.23

Instructions for Completing Attachment C
Notice of Certain Reporting and Audit Requirements
Sponsored Centers

1. Provide the facility's beginning reporting month with the IRS.
2. Provide the facility's ending reporting month with the IRS.

NOTE:

- The months provided must be a 12 month period.
- Submit all pages of this document, including page 4.