

Summary Report of UNC Associated Entities

Privately chartered foundations, associations, and clubs have been established for the purpose of providing resources to enrich various programs of the constituent institutions of the University of North Carolina. Each of these organizations, herein after referred to as associated entities, are required by General Statute {G.S. 116-30.20} and University policy {600.2.5, 600.2.51[g], and 600.2.5.2[R]} to have an independent annual financial audit and to provide a copy of this audit to the Board of Governor's through the President.

There are currently 110 associated entities with the University of North Carolina system. To date, 104 of these entities have provided copies of their annual financial audit to us and two were not required to provide an audit for their most recent fiscal year. Forty-two of these associated entities meet the definition of a component unit for their respective institutions. As such, the financial statements of these entities are required to be reported as part of the institutional audit currently performed by the Office of the State Auditor. Failure to obtain a timely independent audit of the component unit will result in delays in obtaining a timely financial audit of the institution from the Office of the State Auditor. According to representatives of the State Auditor, none of outstanding audit reports for any associated entity are holding up any institution's financial audit.

The attached Summary Report of Associated Entities contains a list of all known associated entities by institution, and it contains the status of the audit report for each of the constituent institutions. We are maintaining contact with representatives of the institutions with outstanding associated entity audits to track the status of the audits of these entities.

The Report also includes a summary of the audit findings and planned corrective actions to be taken by the associated entities in response to the findings. GA monitors the status of these findings to determine that corrective action is taken on the prior year's findings to ensure satisfactory resolution of these findings.

Summary Report of Associated Entities

Campus	Fiscal Year End	Unqualified Audit Opinion	Audit Performed By	Management Letter/Report Issues	Basis for Statement Preparation	Total Net Assets	Reporting Status	Memorandum of Understanding
Appalachian State University								
ASU Foundation, Inc.	6/30/09	Yes	McGladrey & Pullen, LLP	No	GAAP ¹	\$79,532,211	Discretely Presented	Yes
ASU Student Housing Corporation	6/30/09	Yes	Apple, Koceja, & Associates, PA	No	GAAP ¹	\$7,419,809	Discretely Presented	Yes
East Carolina University								
ECU Alumni Association, Inc.	6/30/09	Yes	Clifton Gunderson, LLP	No	GAAP ¹	\$1,055,107		Yes
ECU Educational Foundation, Inc.	6/30/09	Yes	Clifton Gunderson, LLP	No	GAAP ¹	\$19,503,745		Yes
ECU Foundation, Inc. and Consolidated Affiliate	6/30/09	Yes	Clifton Gunderson, LLP	No	GAAP ¹	\$65,389,872	Discretely Presented	Yes
The Medical Foundation of ECU, Inc.	6/30/09	Yes	Clifton Gunderson, LLP	No	GAAP ¹	\$25,454,975		Yes
Elizabeth City State University								
ECSU Foundation, Inc. and Subsidiary	6/30/09	Yes	Thomas & Gibbs CPAs, PLLC	Yes ⁴	GAAP ¹	\$5,860,951	Blended	Yes
ECSU National Alumni Association, Inc.	12/31/09	Yes	The Wesley Peachtree Group	Yes ⁴	GAAP ¹	\$122,087		Yes
Fayetteville State University								
FSU Athletic Club	6/30/09	Yes	N-Vision Enterprises, Inc. ³	No	Modified Cash ²	\$8,527		Yes
FSU Development Corporation	6/30/09	Yes	Buie, Norman, & Company, PA	No	GAAP ¹	\$963,152		Yes
FSU Foundation, Inc. and Subsidiary	6/30/09	Yes	Buie, Norman, & Company, PA	No	GAAP ¹	\$2,382,519	Discretely Presented	Yes
FSU National Alumni Association, Inc.	6/30/09	Yes	Buie, Norman, & Company, PA	No	GAAP ¹	\$63,893		Yes
The Fayetteville State University Housing Foundation, LLC	6/30/09	Yes	Buie, Norman, & Company, PA	No	GAAP ¹	(\$2,475,071)		Yes

¹GAAP - Accounting Principles Generally Accepted in the United States of America

²Modified Cash - This basis of accounting can take many forms. However, the typical differences of this basis of accounting versus General Accepted Accounting Principles is that certain revenues would be recognized when received instead of when earned and certain expenses would be recognized when paid instead of when incurred.

³DbA - N-Vision Accounting & Management Services This is not a CPA firm but an Accounting firm.

⁴Findings and actions taken found on page 8

Summary Report of Associated Entities

Campus	Fiscal Year End	Unqualified Audit Opinion	Audit Performed By	Management Letter/Report Issues	Basis for Statement Preparation	Total Net Assets	Reporting Status	Memorandum of Understanding
North Carolina A & T State University								
Friends of the School of Education								Yes
NCA&T National Aggie Club, Inc.	6/30/09	Yes	John S. Fitzgerald, CPA	Yes ³	Modified Cash ²	\$284,944		Yes
NCA&T University Alumni Association, Inc.	6/30/09	Yes	James E. Avent, Jr., CPA	Yes ³	GAAP ¹	\$1,966,462		Yes
NCA&T University Foundation, Inc.	6/30/09	Yes	Oliver W. Bowie, CPA	No	GAAP ¹	\$5,881,449	Discretely Presented	Yes
The Victory Club Foundation, Inc.	6/30/09	Yes	Oliver W. Bowie, CPA, PA	No	GAAP ¹	\$1,264,134		Yes
North Carolina Central University								
NCCU Alumni Association, Inc.	6/30/09	Yes	Claude M. Bogues, CPA, PLLC	Yes ³	GAAP ¹	\$554,963		Yes
NCCU Educational Advancement Foundation, Inc.	6/30/08	Yes	Ty Cox & Co., CPAs, PLLC	No	GAAP ¹	\$173,710		Yes
NCCU Foundation, Inc.	6/30/09	Yes	McGladrey & Pullen, LLP	No	GAAP ¹	\$9,002,604	Discretely Presented	Yes
NCCU Real Estate Foundation	6/30/09	Yes	Blackman & Sloop, CPAs, PA	No	GAAP ¹	(\$1,440,181)	Blended	Yes
North Carolina School of Science and Mathematics								
NCSSM Foundation	6/30/09	Yes	McGladrey & Pullen, LLP	No	GAAP ¹	\$6,475,847		Yes
NCSSM Student and Constituent Support Services, Inc.	6/30/08	Yes	Thomas E. Spivey, CPA, PA	Yes ³	GAAP ¹	\$114,039		Yes

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³Findings and actions taken found on page 8.

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North Carolina State University								
N.C. Agricultural Foundation, Inc.	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	GAAP ¹	\$88,050,096		Yes
N.C. State Alumni Club, Inc.	12/31/09	Yes	Batchelor, Tillery, & Roberts, LLP	No	GAAP ¹	\$233,860		Yes
N.C. State Centennial Development, LLC	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	GAAP ¹	\$5,489,295		Yes
N.C. State Engineering Foundation, Inc.	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	Modified Cash ²	\$43,084,756		Yes
N.C. State Forestry Foundation, Inc. ⁵	6/30/08	Yes	Williams, Overman, Pierce, LLP	No	Modified Cash ²	\$15,153,217		Yes
N.C. State Investment Fund, Inc.	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	GAAP ¹	\$259,009,826	Blended	Yes
N.C. State Natural Resources Foundation, Inc. ⁵	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	Modified Cash ²	\$20,072,980		Yes
N.C. State Residence, LLC	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	GAAP ¹	\$575,301		Yes
N.C. State University Alumni Association	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	GAAP ¹	\$17,822,583		Yes
N.C. State University Foundation, Inc.	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	GAAP ¹	\$76,146,769	Discretely Presented	Yes
N.C. State University Partnership Corporation	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	GAAP ¹	\$6,058,378	Blended	Yes
N.C. State University Physical & Mathematical Sciences Foundation, Inc.	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	Modified Cash ²	\$14,001,070		Yes
N.C. State UPLIFT, LLC ⁴	6/30/07	Yes	Williams, Overman, Pierce, LLP	No	GAAP ¹	(\$100)		Yes
N.C. Textile Foundation, Inc.	6/30/09	Yes	Koonce, Wooten, & Haywood, LLP	Yes ³	Modified Cash ²	\$26,431,012		Yes
N.C. Tobacco Foundation, Inc.	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	Modified Cash ²	\$4,025,021		Yes
N.C. Veterinary Medical Foundation, Inc.	6/30/09	Yes	Williams, Overman, Pierce, LLP	No	Modified Cash ²	\$21,435,414		Yes
NCSU Student Aid Association, Inc.	6/30/09	Yes	Koonce, Wooten, & Haywood, LLP	Yes ³	GAAP ¹	\$74,514,924	Discretely Presented	Yes
North Carolina State University Club	12/31/09	Yes	Batchelor, Tillery, & Roberts, LLP	No	GAAP ¹	\$2,453,312		Yes
Pulp & Paper Foundation, Inc. ⁵	6/30/08	Yes	Williams, Overman, Pierce, LLP	No	Modified Cash ²	\$10,315,577		Yes
The Friends of NC State Baseball, LLC	3/1/10	Yes	Internal Audit	Yes ³	GAAP ¹	-\$1,160		Yes
Wolfpack Club Student Housing Foundation, LLC	6/30/09	Yes	Koonce, Wooten, & Haywood, LLP	No	GAAP ¹	(\$5,361,998)		Yes
The University of North Carolina at Asheville								
The North Carolina Arboretum Society	6/30/09	Yes	Gabler Molis & Company, PA	No	GAAP ¹	\$991,189		Yes
The University Botanical Gardens at Asheville, Inc.	12/31/09	Yes	Crawley, Lee, & Company, PA	No	GAAP ¹	\$928,218		Yes
UNC Asheville Foundation, Inc.	6/30/09	Yes	Burleson Earley & Keel, PLLC	No	GAAP ¹	\$27,994,263	Discretely Presented	Yes

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³Findings and actions taken found on page 9.

⁴No activity for 2009

⁵Pulp and Paper Foundation, Inc. - merged with The NC Forestry Foundation, Inc. effective July 1, 2008. At the same date the name of the NC Forestry Foundation changed its name to the NC State Natural Resources Foundation, Inc. and the Pulp & Paper Foundation, Inc. was dissolved.

Summary Report of Associated Entities

Campus	Fiscal Year End	Unqualified Audit Opinion	Audit Performed By	Management Letter/Report Issues	Basis for Statement Preparation	Total Net Assets	Reporting Status	Memorandum of Understanding
The University of North Carolina at Chapel Hill								
Botanical Garden Foundation, Inc.	6/30/09	Yes	Blackman & Sloop, CPAs, PA	Yes ³	GAAP	\$4,504,743		Yes
Carolina for Kibera, Inc.	12/31/08 ⁴	Yes	William F. Roberson, CPA PLLC	No	GAAP ¹	\$1,339,063		Yes
Morehead-Cain Scholarship Fund	6/30/09	Yes	Batchelor, Tillery & Roberts, LLP	No	GAAP ¹	\$10,827,349		Yes
The Dental Foundation of N.C., Inc.	6/30/09	Yes	Koonce, Wooten, & Haywood, LLP	No	GAAP ¹	\$28,441,666		Yes
The Educational Foundation, Inc.	6/30/09	Yes	KPMG, LLP	No	GAAP ¹	\$33,237,412		Yes
The Educational Foundation Scholarship Endowment Trust	6/30/09	Yes	KPMG, LLP	No	GAAP ¹	\$172,440,029	Discretely Presented	Yes
The Kenan Flagler Business School Foundation	6/30/09	Yes	Bernard, Robinson, & Company, LLP	No	GAAP ¹	\$82,810,589	Blended	Yes
The James B. Hunt, Jr. Institute for Educational Leadership and Policy Foundation, Inc.	6/30/09	Yes	Dixon Hughes, PLLC	Yes ³	GAAP ¹	\$2,517,561		Yes
The Medical Foundation of N.C., Inc.	6/30/09	Yes	Blackman & Sloop, CPAs, PA	Yes ³	GAAP ¹	\$193,439,949	Discretely Presented	Yes
The Pharmacy Foundation of N.C., Inc.	6/30/09	Yes	Koonce, Wooten, & Haywood, LLP	No	GAAP ¹	\$31,101,527		Yes
The School of Education Foundation, Inc.	6/30/09	Yes	Blackman & Sloop, CPAs, PA	Yes ³	GAAP ¹	\$2,619,055	Blended	Yes
The School of Government Foundation, Inc.	6/30/09	Yes	Blackman & Sloop, CPAs, PA	Yes ³	GAAP ¹	\$11,593,250		Yes
The School of Journalism & Mass Communications Foundation of North Carolina, Inc.	6/30/09	Yes	Blackman & Sloop, CPAs, PA	No	GAAP ¹	\$14,113,791		Yes
The School of Social Work Foundation, Inc.	6/30/09	Yes	Blackman & Sloop, CPAs, PA	Yes ³	GAAP ¹	\$8,081,557		Yes
The University of North Carolina at Chapel Hill Arts & Sciences Foundation, Inc.	6/30/09	Yes	Blackman & Sloop, CPAs, PA	No	GAAP ¹	\$146,004,759	Discretely Presented	Yes
UNC Investment Fund, LLC	6/30/09	Yes	KPMG, LLP	No	GAAP ¹	\$2,255,222,057	Blended	Yes
The University of North Carolina at Chapel Hill Foundation Investment Fund, Inc.	6/30/09	Yes	KPMG, LLP	No	GAAP ¹	\$1,783,741,170	Blended	Yes
The University of North Carolina at Chapel Hill Foundation, Inc.	6/30/09	Yes	KPMG, LLP	No	GAAP ¹	\$212,574,137	Blended	Yes
The University of North Carolina at Chapel Hill School of Nursing Foundation, Inc.	6/30/09	Yes	Blackman & Sloop, CPAs, PA	No	GAAP ¹	\$6,624,822		Yes

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³Findings and actions taken found on page 9.

⁴Carolina For Kibera, Inc. is changing its accounting period to a June 30 year-end effective with the year June 30, 2010.

Summary Report of Associated Entities

Campus	Fiscal Year End	Unqualified Audit Opinion	Audit Performed By	Management Letter/Report Issues	Basis for Statement Preparation	Total Net Assets	Reporting Status	Memorandum of Understanding
The University of North Carolina at Chapel Hill (cont'd)								
UNC Law Foundation of North Carolina, Inc.	6/30/09	Yes	McGladrey & Pullen, LLP	No	Modified Cash ²	\$27,415,264	Blended	Yes
UNC Management Company, Inc.	6/30/09	Yes	KPMG, LLP	No	GAAP ¹	\$8,989,953	Blended	Yes
The University of North Carolina at Chapel Hill Public Health Foundation, Inc.	6/30/09	Yes	Blackman & Sloop, CPAs, PA	no	GAAP ¹	\$59,148,091		Yes
The University of North Carolina at Charlotte								
The Athletic Foundation of The University of North Carolina at Charlotte	6/30/09	Yes	Greer & Walker, LLP	No	GAAP ¹	\$16,312,841		Yes
The Ben Craig Center	6/30/09	Yes	Greer & Walker, LLP	No	GAAP ¹	\$564,685		Yes
The University of North Carolina at Charlotte Foundation, Inc.	6/30/09	Yes	Greer & Walker, LLP	No	GAAP ¹	\$84,755,548	Discretely Presented	Yes
The University of North Carolina at Charlotte Facilities Development Corporation, Inc.	6/30/09	Yes	Greer & Walker, LLP	No	GAAP ¹	\$1,383,695	Blended	Yes
The University of North Carolina at Charlotte Investment Fund, Inc.	6/30/09	Yes	Greer & Walker, LLP	No	GAAP ¹	\$0	Blended	Yes
University of North Carolina at Greensboro								
Capital Facilities Foundation, Inc.	6/30/09	Yes	McGladrey & Pullen	No	GAAP ¹	\$2,945,223	Blended	Yes
Gateway University Research Park	9/30/09	Yes	Dixon Hughes, PLLC	No	GAAP ¹	\$13,045,646		Yes
Serve, Inc.	11/30/09	Yes	Bernard, Robinson, & Company, LLP	No	GAAP ¹	\$379,657		Yes
The Alumni Association of the University of North Carolina at Greensboro, Inc.	6/30/09	Yes	Bernard, Robinson, & Company, LLP	No	Modified Cash ²	\$2,416,569		Yes
The UNCG Excellence Foundation	6/30/09	Yes	McGladrey & Pullen	No	GAAP ¹	\$66,233,925	Blended	Yes
The UNCG Human Environmental Sciences Foundation, Inc.	6/30/09	Yes	McGladrey & Pullen	No	GAAP ¹	\$6,190,641	Blended	Yes
The Weatherspoon Art Foundation	6/30/09	Yes	Internal Audit ³	No	N/A	\$21,361,726	Blended	Yes
The Weatherspoon Art Museum Association	6/30/09	Yes	McGladrey & Pullen	No	GAAP ¹	\$324,363		Yes
UNCG Investment Fund, Inc.	6/30/09	Yes	McGladrey & Pullen	No	GAAP ¹	\$152,256,230	Blended	Yes

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³Internal audit reviewed the value and internal controls over the art work owned by the foundation. This foundation's only assets are the works of art. The art values are based on cost if purchased or fair value at the time of donation, if donated.

Summary Report of Associated Entities

Campus	Fiscal Year End	Unqualified Audit Opinion	Audit Performed By	Management Letter/Report Issues	Basis for Statement Preparation	Total Net Assets	Reporting Status	Memorandum of Understanding
The University of North Carolina at Pembroke								
The UNCP University Foundation, LLC	6/30/09	Yes	Reznick Group	No	GAAP ¹	(\$3,428,350)	Discretely Presented	Yes
UNCP Foundation, Inc.	6/30/09	Yes	Nelson, Price & Associates, PA	No	GAAP ¹	\$5,814,295	Discretely Presented	Yes
UNCP Student Housing, LLC	6/30/09	Yes	Nelson, Price & Associates, PA	No	GAAP	\$11,347,091	Discretely Presented	Yes
The University of North Carolina School of the Arts								
N.C. School of the Arts Foundation, Inc.	6/30/09	Yes	Butler & Burke, LLP	No	GAAP ¹	\$20,089,642	Discretely Presented	Yes
NCSA Housing Corporation	6/30/09	Yes	Butler & Burke, LLP	No	GAAP ¹	(\$286,166)	Blended	Yes
NCSA Program Support Corporation	6/30/09	Yes	Butler & Burke, LLP	No	GAAP ¹	\$1,223,174		Yes
River Run Film Festival	6/30/09	Yes	Butler & Burke, LLP	No	GAAP ¹	\$139,672		Yes
The Foreign Art Study Foundation of North Carolina, Inc.	6/30/09	Yes	Butler & Burke, LLP	No	GAAP ¹	\$591,698		Yes
The Semans Art Fund, Inc.	6/30/09	Yes	Butler & Burke, LLP	No	GAAP ¹	\$388,725		Yes
The Student Creative Arts Foundation of North Carolina, Inc.	6/30/09	Yes	Butler & Burke, LLP	No	GAAP ¹	\$572,512		Yes
The University of North Carolina at Wilmington								
Cameron Foundation	Waived ²	Waived ²	Waived ²	Waived ²	Waived ²	Waived ²		Yes
Donald R. Watson Foundation, Inc.	6/30/09	Yes	Michael Durham, CPA	No	GAAP ¹	1,220,143	Blended	Yes
Friends of UNCW	6/30/09	Yes	Internal Audit	No	GAAP ¹	\$15,010		Yes
The Alumni Association of The University of North Carolina at Wilmington	6/30/09	Yes	Michael Durham, CPA	No	GAAP ¹	\$505,506		Yes
The Foundation of UNCW, Inc.	6/30/09	Yes	McGladery & Pullen, LLP	No	GAAP ¹	\$6,693,876		Yes
The UNCW Student Aid Association	6/30/09	Yes	Fisher & Company, CPAs	No	GAAP ¹	\$1,748,495		Yes
UNCW Corporation	6/30/09	Yes	McGladery & Pullen, LLP	No	GAAP ¹	\$0	Discretely Presented	Yes
UNCW Corporation II	6/30/09	Yes	McGladery & Pullen, LLP	No	GAAP ¹	(\$385,036)		Yes
UNCW Research Foundation	6/30/09	Yes	McGladery & Pullen, LLP	No	GAAP ¹	(\$125)		Yes

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²Waived based on foundation characteristics per letter from President Bowles dated July 30, 2007.

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Western Carolina University								
Western Carolina University Foundation	6/30/09	Yes	Burleson, Earley, PA	No	GAAP ¹	\$18,711,034	Blended	Yes
Western Carolina University Research and Development Corporation	6/30/09	Yes	Burleson, Earley, PA	No	GAAP ¹	\$1,100,958	Discretely Presented	Yes
Development Foundation for N.C. Center for Advancement of Teaching	6/30/09	Yes	Burleson Earley, PA	No	GAAP ¹	\$921,464		Yes
The Highlands Biological Foundation, Inc.	5/31/09	Yes	Curtis J. Matthews, CPA PC	No	GAAP ¹	925,590		Yes
Winston-Salem State University								
Simon Green Atkins Community Development Corporation	6/30/09	Yes	Preston, Sims, & Darden, PA	Yes ²	GAAP ¹	\$106,764		Yes
Winston-Salem State University Foundation, Inc. and Subsidiary	6/30/09	Yes	Butler & Burke, LLP	No	GAAP ¹	\$17,704,663	Discretely Presented	Yes
Winston-Salem State University National Alumni Association, Inc.	6/30/09	Yes	Butler & Burke, LLP	No	GAAP ¹	\$239,025		Yes
The University of North Carolina-General Administration								
The North Carolina Public Television Foundation, Inc.	6/30/09	Yes	McGladrey & Pullen, LLP	No	GAAP ¹	\$707,263		Yes
The University of North Carolina Foundation, Inc.	6/30/09	Yes	Koonce, Wooten, & Haywood, LLP	No	GAAP ¹	\$279,335		Yes

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²Findings and actions taken found on page 10

Campus	Findings	Corrective Actions
Elizabeth City State University: ECSU Foundation, Inc.	(1) Application of SFAS 136 (2) Account Reconciliations (3) Commingled Accounting Functions (4) Pledges Receivable (5) Timeliness of financial reporting (6) Audit Adjustment	(1) Recommendation: Management needs to review all transactions as they occur to determine the appropriate accounting treatment within the framework of SFAS 136. This continuous process will reduce the risk of errors. (2) Recommendation: Reconciliations be performed for all accounts as soon after each month as possible. (3) Recommendation: Use of separate accounts and accounting systems for the Foundation. (4) Recommendation: Management review the contributions receivable listing for significant and/or unusual donor balances on a monthly basis and reconcile the general ledger and pledge status report on a quarterly, if not monthly basis. (5) Recommendation: Management should enhance the Foundation's ability to provide accurate and timely documents to support its financial reporting function. (6) Recommendation: Management should post all audit adjustments and analyze general ledger accounts to ensure that the impact of adjustments on current year accounts is reasonable prior to the commencement of the annual audit. Response: Move the Foundation's assets to a separate general ledger system. Also, separate its cash and investments into non-commingled accounts.
ECSU National Alumni Association, Inc.	(1) Opening Balances (2) Insurance Coverage (3) Land held for Resale	(1) Recommendation: The Association record all audit adjusting entries before the books are closed. The beginning balances should be traced to the prior year audit report to ensure that they match. (2) Recommendation: This coverage is strongly suggested to minimize personal liability to the Association's directors and officers. (3) Recommendation: The Association obtain a current appraisal on the land which should improve their financial position.
North Carolina A&T State University: NCA&T Alumni Association, Inc.	(1) The association failed to adopt and implement ten of the UNC policy requirements enumerated in UNC Policy 600.2.5.2[R]. (These are repeated comments as June 30, 2006, June 30, 2007, and June 30, 2008). (2) Delay in Securing Minutes of the Organization	(1) Recommendation: The Alumni Association should retain legal counsel to assist in updating it bylaws, policies and procedures to ensure full compliance with UNC policy immediately. Since this is a repeat finding from the two previous audits, UNC-GA staff will be working with University Management to get this corrected. (2) Recommendation: The Organization should take appropriate action to ensure that minutes of the Organization are promptly recorded by its designated recording secretary and approved by its Board of Directors, so that official acts are appropriately documented.
NCA&T National Aggie Club, Inc.	(1) Bank Account Reconciliations (2) Cash Receipts Detail Report (3) Basic Financial Statements	(1) Recommendation: Reconciliations for all bank accounts be properly prepared on a monthly basis. (2) Recommendation: Monthly cash receipts detail report be reconciled to the appropriate general ledger accounts. (3) Recommendation: QuickBooks generated financial statements be prepared and reviewed on a interim basis.
North Carolina Central University: North Carolina Central University Alumni Association, Inc.	(1) Meeting Minutes-It did not appear to be sets of meeting minutes for each month or quarter. (2) Statement of Income and Expenditures-The chapters of the NCCU Alumni Association, Inc. submit an annual Statement of Income and Expenditures which reflects various financial data. For the year ended June 30, 2009, the documents were submitted by the following chapters: -Northern Piedmont -District of Columbia -Wilmington, Delaware -New Jersey -Philadelphia -South Florida -Sampson County -Hampton Roads -Metropolitan St. Louis -Baltimore, Maryland -Atlanta, Georgia	(1) Recommendation: Meeting minutes should continue to be typed and catalogued in an official three-ring notebook at the Alumni office. In addition, the minutes should be signed and dated by the individual that recorded them. Also, the record briefly and clearly indicate the months and/or quarters when meetings are not held. (2) Recommendation: The Treasurer continue to require this document be prepared and submitted to the national office every year.

Campus	Findings	Corrective Actions
North Carolina School of Science and Mathematics: NCSSM Student & Constituent Support Services, Inc.	(1) Lack of written inventory instructions of physical counts taken through the year (2) Preparation of budget and comparing with actual results of operation. (3) Unqualified personnel as a Bookkeeper. (4) Outdated software.	(1) Recommendation: Written inventory instructions be prepared by management, distributed to any persons, involved in the count, and reviewed with them in advance. The written instructions should as a minimum include comments pertaining to segregation, or proper notation of slow-moving, obsolete, or damaged goods. (2) Recommendation: Budgets be incorporated into the organization's financial reporting system to allow it to measure actual performance versus budgeted performance. (3) Recommendation: The Board of Directors should elect a qualified bookkeeper as soon as possible and also the organization hire or contract with someone who has the appropriate knowledge to apply generally accepted accounting principles to the financial statements and take responsibility for the financial statements. (4) Corrective Action: A consolidated program is being used.
North Carolina State University: The Friends of N.C. State Baseball, LLC	(1) Minor errors with written checks	(1) Recommendation: Rally Club check signers should be diligent in reviewing checks before they sign them to ensure that no inaccuracies are present. Response: Rally Club has been reminded of the checking signing authority of the proper procedures and check signing requirements, and are putting additional effort in diligence in the accounting and bookkeeping for deposits and other financial matters.
NCSU Student Aid Association, Inc.	(1) Organization Structure (2) Financial Reporting Process (3) Cash Receipts (4) Credit Card Processing (5) Resident Accounts Receivables	(1) Recommendation: Continue to apply review procedures and that the Association's Officers continue to exercise these oversight practices in connection with its fiduciary responsibility. (2) Management does not have the personnel to value interest rate swaps w/o assistance or the unrealized gains or losses on investments. All functional expense allocations are being properly made. (3) Corrective Action: It was noted no such instances during the June 30, 2009 audit. (4) Update 2009: New policies have been implemented relating to the processing and reconciliation of credit card charges and related fees. (5) Corrective Action: The Foundation has been able to improve the aging of receivables through better collection procedures and quicker notification of delinquency to the lease guarantors. Recommendation: The Foundation continues to pursue collections and review receivables on a regular basis.
N.C. Textile Foundation, Inc.	(1) Segregation of Duties and Access (2) Financial Reporting (3) Reconciliations	(1) Per the Exec. Director, this was an oversight but does not represent a systemic problem. (2) Per the Exec. Director, an active search is planned for an accounting firm that can meet the accounting needs.
The University of North Carolina at Chapel Hill: The Botanical Garden Foundation, Inc.	Preparation of Financial Statements	Recommendation: Management and the Board continue to evaluate whether it is cost effective to appoint a staff person to prepare the financial statements.
The James B. Hunt, Jr. Institute for Educational Leadership & Policy Foundation, Inc.	Accounts Payable/Journal Entries	Recommendation: Management should implement controls and monitor existing controls to ensure journal entries are being properly reviewed and procedures are in place to ensure proper cut-off of accounts payable.
The Medical Foundation of North Carolina, Inc.	(1) Promises to Give (2) Grant Disbursement Policies (3) Supervisory Review (4) General Ledger Policies	(1) Corrective Actions: Reconciling of pledge balances between the Foundations' pledge detail and the UNC Development pledge detail will be performed quarterly beginning April 1, 2010. (2) Correction Action: Documentation is being collected from the disbursing authorities as to who has been delegated authority to transfer and request cash disbursements on the disbursing authorities' behalf. (3) Corrective Action: Bank reconciliations will be reviewed by the VP of Finance once the Accountant position is filled. In the interim, the President of the Foundation will review the bank reconciliation monthly. (4) The Foundation accounting system will close monthly by the 10th work day of the preceding month. Balances will be reconciled to supporting ledgers on a monthly basis.

Campus	Findings	Corrective Actions
The University of North Carolina at Chapel Hill (cont'd): The University of North Carolina at Chapel Hill School of Education, Inc.	(1) Coding of Expenditures (2) Reconciliation of Accounting and Development Reports (3) Transfers to the UNC School of Education (4) Preparation of Financial Statements	(1) Recommendation: A listing of the proper coding of nonroutine transactions be maintained and utilized by all personnel responsible for coding expenditures. (2) Recommendation: Foundation personnel reconcile the accounting and development reports monthly to ensure significant contributions and gifts have been properly recorded in the general ledger. (3) Recommendation: A review procedure be implemented to ensure all transfers to the School are made timely and in the correct fiscal period. (4) Recommendation: Management continue the full implementation of the policies and procedures to ensure proper controls over financial reporting are maintained.
The School of Government Foundation, Inc.	(1) Preparation of Financial Statements	(1) Recommendation: Management and the Board needs to continue to evaluate whether it is cost effective to appoint a person with qualifications to prepare the financial statements.
The School of Social Work Foundation, Inc.	Preparation of Financial Statements	Recommendation: Management and the Board continue to evaluate whether it is cost effective to appoint a staff person to prepare the financial statements. Response: The Foundation Board has discussed the feasibility of hiring an employee or consultant to prepare financial statements independent of Blackman & Sloop. Because of current budgetary concerns, it is not possible at this time to hire someone to carry out this duty. However, we feel confident that our internal controls are effective in preventing errors in the preparation of financial statements.
Winston-Salem State University: Simon Green Atkins Community Development Corporation	(1) Insufficient segregation of duties -The size of the Organization's office staff limits the extent of separation of duties; however, certain steps can be in place to separate incompatible duties.	(1) Recommendation: Two signatures are required for all cash disbursements, and only officers of the Board of Directors and the outsourced accountant are authorized check signers. Also, primary general ledger and payroll processing duties are outsourced to an independent CPA. It is recommended that Board supervision and review continue.