



# State of North Carolina Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

October 17, 2006

## MEMORANDUM NO. SAD 07-12

**TO:** Chief Fiscal Officers  
Vice Chancellors

**FROM:** Robert L. Powell  
State Controller

**SUBJECT:** Statewide Accounts Receivable Reporting — Fiscal Year 2006

General Statute § 147-86.26 *Statewide Accounts Receivable Program* requires state agencies to provide the Office of the State Controller (OSC) a complete report of the agency's accounts receivable. For this purpose, please complete a four part, electronic form described below. Information on this form will be used to compile a summary report that OSC will provide to the Governor, the Joint Legislative Commission on Governmental Operations, and each state agency.

The summary report is required by statute to include:

1. The type of accounts receivable owed to an agency.
2. An aging of the accounts receivable.
3. Any attempted collection activity and any costs incurred in the collection process.
4. Any accounts receivable that have been written off.
5. Information required by items 1 through 4 for the previous three years.
6. Identification of a state agency that is not complying with Article 6B of Chapter 147 or Chapter 105A of the General Statutes.
7. Any additional information the State Controller considers useful.

The first part of the form to complete is designed to identify the reporting agency and agency contact information (*Instructions* tab). It also includes instructions for completion of the form and OSC contact information.

The second part of the form to complete is designed to report bad debt write-offs during fiscal year 2006 and allowance for doubtful accounts information as of fiscal 2006 year end (*WOFF-Allow* tab). *A separate worksheet should be completed for each GASB fund type.* Contractual adjustments and indigent care write-offs are listed separately on the form. We are requesting a distinct separation of these items as opposed to grouping with other types of debt write-offs.

MAILING ADDRESS  
1410 Mail Service Center  
Raleigh, NC 27699-1410

Telephone: (919) 981-5454  
Fax Number: (919) 981-5567  
State Courier: 56-50-10  
Website: [www.ncosc.net](http://www.ncosc.net)

LOCATION  
3512 Bush Street  
Raleigh, NC

October 17, 2006

Page 2

The third part of the form to complete is designed to report specific aging information as of fiscal 2006 year end (*Aging* tab). A separate worksheet should be completed for each GASB fund type. Please group aging information by each receivable type.

The fourth part of the form to complete is designed to report at a summary level each significant collection activity and an estimate of cost for each activity (*Act-Cost* tab).

The fifth part of the form to complete is designed to report compliance with requirements of Article 6B and Chapter 105A of the General Statutes (*Rep Letter* tab). Article 6B regards the Statewide Accounts Receivable Program administered by the OSC and Chapter 105A regards the setoff debt collection program administered by the Department of Revenue. This worksheet should be completed on agency letterhead and signed by the agency chief executive officer and the chief financial officer.

The final part of this form is a glossary which explains many of the terms used on the form (*Glossary* tab).

This form is a Microsoft Excel workbook and is accessible on the OSC's web page at the following address: [http://www.ncosc.net/sigdocs/sig\\_docs/sigCurrent\\_Memos.html](http://www.ncosc.net/sigdocs/sig_docs/sigCurrent_Memos.html). Please forward the completed form to OSC as directed in the form instructions by no later than **Wednesday, November 15, 2006.**

We appreciate your cooperation in the completion of this form which is an integral part of our preparation of the summary report described above. If you have questions please contact Amber Young at (919) 981-5481 or Cindy Salgado at (919) 981-5484.