



North Carolina Department of Health and Human Services Office of the Controller

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Lanier M. Cansler, Secretary

Laketha L. Miller, Controller
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June 1, 2011

Dear County Director of Social Services:
Dear Child Support Enforcement Agency Director:

Subject: New Date for DSS-1571 Close-Out

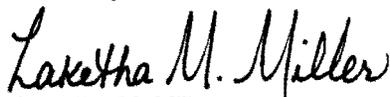
As everyone is aware, these are tight budget times and it is imperative that all agencies closely monitor their cash balances. The Office of State Controller (OSC) is charged with monitoring cash balances of agencies throughout the State. Due to the necessity to have accurate cash balance information at month-end, OSC is eliminating the practice of "setback transactions". These are transactions that occur when expenditures are recorded in one month but the cash is actually distributed the following month. **This practice has the potential of creating a material impact on the State's financial position as well as the results of its operations and cash flows.**

To comply with the elimination of these transactions, it is necessary for the DHHS Controller's Office, County Administration Accounting Unit to begin their month-end closing process earlier in the month. We must be able to close-out and transmit funds to county agencies all within the same month, rather than a week into the following month. For this reason, it is necessary to **permanently** move the closing date for DSS-1571 reporting to the 15th of each month. **All counties will be required to be uploaded and balanced by COB on the 15th of each month, unless the 15th falls on a holiday or weekend. If so, closing would move to the next business day.** The timing of Interim payment will not be affected by this change.

We understand that for some counties, meeting this new deadline may be difficult. However, due to the necessity to better manage the State's cash flow, it is necessary for OSC to mandate this change. One positive aspect for county Departments of Social Services is that funds will be received for end-of-month settlement up to a week earlier, thus assisting with counties cash flow.

If you have any questions regarding this new reporting procedure, please contact your Business Liaison or County Administration Accounting Unit at (919) 733-2306.

Sincerely,


Laketha M. Miller


Sherry S. Bradsher, Director
Division of Social Services

LMM/SB/dh

cc: DSS-1571 Contact Personnel Local Business Liaisons Debbie Hawkins Kelli Winters-Billman
County Finance Officers Jack W. Chappell Myra K. Dixon