



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

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Lanier M. Cansler, Secretary**

**Laketha M. Miller, Controller
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LOCATION:
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MEMORANDUM #2011-7

TO: Division Directors
Division Budget Officers

FROM: Laketha M. Miller

A handwritten signature in cursive script that reads "Laketha M. Miller".

DATE: December 21, 2010

SUBJECT: Reminder - Required Certification Statements for Employees Directly Charged to One Federal Funding Source

In a memorandum dated August 6, 2002, we reissued guidance on actions that Division staff must take to document compliance with the OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, requirement that a semi-annual certification statement be completed for all employees whose salaries are charged entirely to a single federal award or cost objective. A certification statement must be signed every six (6) months by a supervisory employee certifying that 100% of the employee(s)' time was spent on activities benefiting only that Federal grant. The Certification Statement must be completed for the time periods ending December 31 and June 30 of each year. This memorandum is to serve as a reminder that all Certification Statements for the period ending December 31, 2010 should be completed by January 31, 2011. Completed forms are to be filed in the Division's Budget Office for potential review by the Office of the State Auditor.

As a reminder, Divisions not utilizing an approved cost allocation plan must require that time sheets be completed for employees funded by more than one Federal funding source. Further, financial records have to be adjusted to reflect the proper payroll allocation in accordance with the time sheets.

Thank you for your attention to this compliance issue. Please contact Suzanne Beasley in the Cost Accounting Branch at 855-3704 if you have questions.

Enclosures

c: Jim Slate
Curtis Crouch

Suzanne Beasley