



July 31, 2015

The Auditor

Members of the Board of Regents of the University of North Carolina

Dear Members of the Board of Regents:

I have the honor to acknowledge the receipt of your letter of July 21, 2015, regarding the audit of the University of North Carolina's financial statements for the fiscal year ended June 30, 2015. I am pleased to inform you that the audit has been completed and the financial statements are being prepared for your review.

The audit was conducted in accordance with the standards of the American Institute of Certified Public Accountants (AICPA) and the standards of the Government Auditing Standards Board (GASB). The audit was performed by the Office of the Auditor General, which is an independent, non-partisan office established by the North Carolina Constitution.

The audit found that the University of North Carolina's financial statements for the fiscal year ended June 30, 2015, are fairly presented in all material aspects. The audit also identified several areas where the University could improve its financial reporting and internal controls.

The areas identified for improvement are: (1) the University's financial reporting process, (2) the University's internal controls over financial reporting, and (3) the University's compliance with applicable laws and regulations.

The Office of the Auditor General will continue to work with the University to address these areas and to improve its financial reporting and internal controls.

I am confident that the University of North Carolina's financial statements for the fiscal year ended June 30, 2015, are reliable and provide a true and accurate picture of the University's financial position.

Very truly yours,

[Signature]
Auditor General

[Signature]
Chairman of the Board of Regents

[Signature]
Secretary of the Board of Regents

[Signature]
Treasurer of the Board of Regents

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Member of the Board of Regents

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Member of the Board of Regents