

STATE OF NORTH CAROLINA

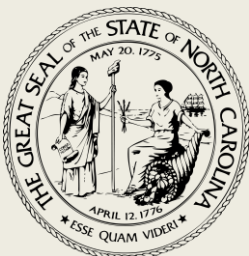
OFFICE OF THE STATE AUDITOR
BETH A. WOOD, CPA



TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM

RALEIGH, NORTH CAROLINA

FINANCIAL AUDIT OF THE SCHEDULE OF EMPLOYER ALLOCATIONS AND
THE SCHEDULE OF PENSION AMOUNTS BY EMPLOYER
FOR THE YEAR ENDED JUNE 30, 2014



NCOSA
The Taxpayers' Watchdog

STATE OF NORTH CAROLINA
Office of the State Auditor



Beth A. Wood, CPA
State Auditor

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AUDITOR'S TRANSMITTAL

The Honorable Pat McCrory, Governor
Members of the General Assembly of North Carolina
The Honorable Janet Cowell, State Treasurer
Department of State Treasurer

We have completed a financial audit of the Teachers' and State Employees' Retirement System Schedule of Employer Allocations for the year ended June 30, 2014 and June 30, 2013 and the Schedule of Pension Amounts by Employer for the year ended June 30, 2014, and our audit results are included in this report. You will note from the independent auditor's report that we determined that the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer are presented fairly in all material respects.

The results of our tests disclosed no deficiencies in internal control over financial reporting that we consider to be material weaknesses in relation to our audit scope or any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

North Carolina General Statutes require the State Auditor to make audit reports available to the public. Copies of audit reports issued by the Office of the State Auditor may be obtained through one of the options listed in the back of this report.

A handwritten signature in cursive script that reads "Beth A. Wood".

Beth A. Wood, CPA
State Auditor



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Article V, Chapter 147 of the *North Carolina General Statutes*, gives the Auditor broad powers to examine all books, records, files, papers, documents, and financial affairs of every state agency. The Auditor also has the power to summon people to produce records and to answer questions under oath.

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INDEPENDENT AUDITOR'S REPORT

The Honorable Pat McCrory, Governor
Members of the General Assembly of North Carolina
The Honorable Janet Cowell, State Treasurer
Department of State Treasurer

Report on the Schedules

We have audited the accompanying Schedule of Employer Allocations of the Teachers' and State Employee's Retirement System as of and for the years ended June 30, 2014 and June 30, 2013, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense included in the accompanying Schedule of Pension Amounts by Employer of the Teachers' and State Employee's Retirement System as of and for the year ended June 30, 2014, and the related notes (hereafter referred to as "the Schedules").

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these Schedules in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedules in order to design

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Schedules referred to above present fairly, in all material respects, the employer allocations as of and for the years ended June 30, 2014 and June 30, 2013 and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the total of all participating entities of the Teachers' and State Employee's Retirement System as of and for the year ended June 30, 2014, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the pension plans included in the State's *Comprehensive Annual Financial Report* (CAFR) as of and for the year ended June 30, 2014, and our report thereon, dated December 2, 2014, expressed an unmodified opinion on those financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2015 on our consideration of the entity's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance.

Restriction on Use

Our report is intended solely for the information and use of the Teachers' and State Employee's Retirement System Management, the Teachers' and State Employee's Retirement System Plan employers and their auditors and the North Carolina Office of the State Controller and is not intended to be and should not be used by anyone other than these specified parties.



Beth A. Wood, CPA
State Auditor

Raleigh, North Carolina

June 16, 2015



SCHEDULES

Teachers' and State Employees' Retirement System
Schedule of Employer Allocations
June 30, 2014

Schedule 1

Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
10200	North Carolina Education Lottery	\$ 125,875,016	0.11096%
10400	Department of Justice	541,193,266	0.47707%
10500	State Auditor	82,158,435	0.07242%
10700	Department of Cultural Resources	216,068,759	0.19047%
10800	Administrative Office of the Courts	2,247,271,769	1.98101%
10850	Office of Administrative Hearings	13,595,179	0.01198%
10900	Department of Administration	210,591,814	0.18564%
10910	Office of State Budget & Management	33,775,982	0.02977%
10930	Information Technology Services	274,428,668	0.24191%
10940	Office of State Controller	96,882,896	0.08540%
10950	N.C. School of Science & Mathematics	75,826,281	0.06684%
11300	Environment and Natural Resources	966,520,192	0.85201%
11310	N.C. Housing Finance Agency	58,607,338	0.05166%
11600	Wildlife Resources Commission	252,063,194	0.22220%
11900	State Board of Elections	25,116,931	0.02214%
12100	Governor's Office	28,577,749	0.02519%
12150	Lt. Governor's Office	3,820,193	0.00337%
12160	General Assembly	209,553,279	0.18473%
12220	Health & Human Services	5,583,055,974	4.92157%
12510	Department of Commerce	718,987,833	0.63380%
12600	Insurance Department	178,347,430	0.15722%
12700	Labor Department	140,428,632	0.12379%
13500	Revenue Department	481,434,474	0.42439%
13700	Secretary of State	65,346,540	0.05760%
14200	N.C. Cemetery Commission	-	0.00000%
14300	State Treasurer	175,175,495	0.15442%
18400	Department of Agriculture	650,820,400	0.57371%
18600	Barber Examiners, State Board of	2,771,208	0.00244%
18640	North Carolina Board of Opticians	201,818	0.00018%
18670	State Board of Examiners for Electrical Contractors	402,388	0.00035%
18690	N.C. Real Estate Commission	1,355,717	0.00120%
18740	N.C. Auctioneers Licensing Board	777,109	0.00069%
18780	N.C. State Board of Examiners of Practicing Psychol	1,427,991	0.00126%
19005	Community Colleges Administration	91,565,851	0.08072%
19100	Department of Public Safety	7,858,005,194	6.92697%
20100	Appalachian State University	639,353,678	0.56360%
20200	N.C. School of the Arts	92,199,449	0.08128%
20300	East Carolina University	1,556,985,561	1.37251%
20400	Elizabeth City State University	167,303,736	0.14748%
20600	Fayetteville State University	239,879,573	0.21146%
20700	N.C. A&T University	468,236,580	0.41276%
20800	N.C. Central University	444,107,637	0.39149%
20900	University of North Carolina at Greensboro	601,536,582	0.53027%
21200	UNC - Pembroke	187,411,021	0.16521%
21300	N.C. State University	2,434,423,286	2.14599%
21520	UNC-CH CB 1260	3,657,566,926	3.22422%
21525	UNC-General Administration	156,407,774	0.13788%
21550	UNC Health Care System	4,147,041,931	3.65570%

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June 30, 2014***

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21570	University of North Carolina Press	21,202,873	0.01869%
21800	Western Carolina University	332,511,299	0.29312%
21900	Winston-Salem State University	279,823,236	0.24667%
22000	Department of Public Instruction	505,505,338	0.44561%
23000	University of North Carolina at Asheville	134,469,962	0.11854%
23100	University of North Carolina at Charlotte	769,223,434	0.67809%
23200	University of North Carolina at Wilmington	413,194,333	0.36424%
30000	Yancey County Schools	115,662,913	0.10196%
30100	Alamance County Schools	954,813,515	0.84169%
30102	Clover Garden Charter School	13,868,429	0.01223%
30103	River Mill Academy Charter	19,508,237	0.01720%
30104	The Hawbridge School	7,903,161	0.00697%
30105	Alamance Community College	94,140,537	0.08299%
30200	Alexander County Schools	229,894,082	0.20266%
30300	Alleghany County Schools	76,339,270	0.06729%
30400	Anson County Schools	144,695,518	0.12755%
30405	South Piedmont Community College	85,309,439	0.07520%
30500	Ashe County Schools	147,857,004	0.13034%
30600	Avery County Schools	114,993,041	0.10137%
30601	Grandfather Academy	2,394,288	0.00211%
30700	Beaufort County Schools	295,328,859	0.26034%
30705	Beaufort County Community College	58,070,323	0.05119%
30800	Bertie County Schools	129,890,794	0.11450%
30900	Bladen County Schools	209,001,258	0.18424%
30905	Bladen Community College	46,104,536	0.04064%
31000	Brunswick County Schools	543,642,618	0.47923%
31005	Brunswick Community College	54,354,741	0.04791%
31100	Buncombe County Schools	1,127,666,745	0.99406%
31101	F. Delany New School for Children	8,669,252	0.00764%
31102	Evergreen Community Charter School	17,775,261	0.01567%
31105	Asheville-Buncombe Technical College	177,541,546	0.15651%
31110	Asheville City Schools	254,746,003	0.22456%
31200	Burke County Schools	575,442,520	0.50726%
31205	Western Piedmont Community College	77,758,787	0.06855%
31300	Cabarrus County Schools	1,208,455,955	1.06528%
31301	Carolina International School	20,358,297	0.01795%
31320	Kannapolis City Schools	249,871,211	0.22027%
31400	Caldwell County Schools	537,609,886	0.47391%
31405	Caldwell Community College	119,760,969	0.10557%
31500	Camden County Schools	86,225,686	0.07601%
31600	Carteret County Schools	368,978,290	0.32526%
31601	Cape Lookout Marine Science H.S.	1,019,170	0.00090%
31605	Carteret Community College	54,168,931	0.04775%
31700	Caswell County Schools	108,494,603	0.09564%
31800	Catawba County Schools	706,452,624	0.62275%
31805	Catawba Valley Community College	139,952,636	0.12337%
31810	Hickory City Schools	170,249,645	0.15008%
31820	Newton-Conover City Schools	143,482,547	0.12648%
31900	Chatham County Schools	393,833,896	0.34717%

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June 30, 2014***

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Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
32000	Cherokee County Schools	152,889,631	0.13478%
32005	Tri-County Community College	36,305,112	0.03200%
32100	Edenton-Chowan County Schools	108,982,605	0.09607%
32200	Clay County Schools	60,902,481	0.05369%
32300	Cleveland County Schools	716,859,181	0.63193%
32305	Cleveland Technical College	68,859,564	0.06070%
32400	Columbus County Schools	249,812,393	0.22021%
32405	Southeastern Community College	70,377,294	0.06204%
32410	Whiteville City Schools	97,801,380	0.08621%
32420	SEGS Academy	2,510,019	0.00221%
32500	New Bern/Craven County Board of Education	578,471,469	0.50993%
32505	Craven Community College	82,115,587	0.07239%
32600	Cumberland County Schools	2,138,089,662	1.88477%
32605	Fayetteville Technical Community College	285,790,550	0.25193%
32700	Currituck County Schools	166,659,207	0.14691%
32800	Dare County Schools	240,560,155	0.21206%
32900	Davidson County Schools	741,693,883	0.65382%
32901	Invest Collegiate Charter School	2,078,565	0.00183%
32905	Davidson County Community College	116,177,753	0.10241%
32910	Lexington City Schools	147,437,069	0.12997%
32920	Thomasville City Schools	114,454,678	0.10089%
33000	Davie County Schools	290,598,325	0.25617%
33001	N.E. Regional School for Biotechnology	4,903,565	0.00432%
33027	Cornerstone Academy	15,798,022	0.01393%
33100	Duplin County Schools	390,582,461	0.34431%
33105	James Sprunt Technical College	52,367,154	0.04616%
33200	Durham Public Schools	1,686,087,118	1.48632%
33202	Central Park School for Children	16,799,414	0.01481%
33203	Healthy Start Academy	13,646,701	0.01203%
33204	Voyager Academy	45,527,955	0.04013%
33205	Durham Technical Institute	139,355,171	0.12284%
33206	Bear Grass Charter School	11,206,326	0.00988%
33300	Edgecombe County Schools	259,992,987	0.22919%
33305	Edgecombe Technical College	73,693,359	0.06496%
33400	Winston-Salem-Forsyth County Schools	2,263,892,217	1.99566%
33402	Arts Based Elementary Charter	15,853,402	0.01398%
33403	Downtown Middle	-	0.00000%
33405	Forsyth Technical Institute	232,586,218	0.20503%
33500	Franklin County Schools	367,900,104	0.32431%
33501	A Childs Garden Charter (AKA Cross Creek Charter)	6,930,631	0.00611%
33600	Gaston County Schools	1,171,889,066	1.03304%
33605	Gaston College	171,246,387	0.15096%
33700	Gates County Schools	92,125,008	0.08121%
33800	Graham County Schools	63,414,262	0.05590%
33900	Granville County Schools and Oxford Orphanage	344,909,160	0.30404%
34000	Greene County Schools	154,857,377	0.13651%
34100	Guilford County Schools	3,461,689,627	3.05155%
34105	Guilford Technical Community College	305,566,296	0.26936%
34200	Halifax County Schools	167,186,003	0.14738%

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June 30, 2014***

Schedule 1

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34205	Halifax Community College	58,229,037	0.05133%
34220	Roanoke Rapids City Schools	122,501,074	0.10799%
34230	Weldon City Schools	57,153,773	0.05038%
34300	Harnett County Schools	830,833,789	0.73240%
34400	Haywood County Schools	333,431,998	0.29393%
34405	Haywood Technical College	71,308,288	0.06286%
34500	Henderson County Schools	561,254,120	0.49476%
34501	Mountain Community School	6,443,482	0.00568%
34505	Blue Ridge Community College	72,512,210	0.06392%
34600	Hertford County Schools	145,106,291	0.12791%
34605	Roanoke-Chowan Community College	32,668,377	0.02880%
34700	Hoke County Schools	360,783,274	0.31804%
34800	Hyde County Schools	39,251,773	0.03460%
34900	Iredell County Schools	855,060,410	0.75375%
34901	American Renaissance Middle School	22,010,113	0.01940%
34903	Success Institute	2,395,619	0.00211%
34905	Mitchell Community College	87,812,780	0.07741%
34910	Mooreville City Schools	239,147,085	0.21081%
35000	Jackson County Schools	163,163,973	0.14383%
35005	Southwestern Community College	80,177,765	0.07068%
35100	Johnston County Schools	1,420,194,885	1.25193%
35105	Johnston Technical College	137,255,681	0.12099%
35106	Neuse Charter School	25,557,546	0.02253%
35200	Jones County Schools	63,279,798	0.05578%
35300	Sanford-Lee County Board of Education	406,497,566	0.35834%
35305	Central Carolina Community College	140,020,549	0.12343%
35400	Lenoir County Schools	357,616,417	0.31525%
35401	Childrens Village Academy	2,619,768	0.00231%
35402	Kinston Charter Academy	-	0.00000%
35405	Lenoir County Community College	122,797,133	0.10825%
35500	Lincoln County Schools	478,650,981	0.42194%
35600	Macon County Schools	193,368,453	0.17046%
35700	Madison County Schools	112,643,954	0.09930%
35800	Martin County Schools	167,445,333	0.14761%
35805	Martin Community College	23,009,953	0.02028%
35900	Mcdowell County Schools	291,258,951	0.25675%
35905	Mcdowell Technical College	42,567,947	0.03752%
36000	Charlotte-Mecklenburg County Schools	6,463,438,405	5.69764%
36001	Community Charter School	5,966,679	0.00526%
36002	Kennedy Charter	23,457,170	0.02068%
36003	Community School of Davidson	49,211,137	0.04338%
36004	Corvian Community School	9,789,900	0.00863%
36005	Central Piedmont Community College	526,494,118	0.46411%
36006	Lake Norman Charter School	60,452,238	0.05329%
36007	Socrates Academy	20,549,212	0.01811%
36008	Pine Lake Prep Charter	58,266,168	0.05136%
36009	Charlotte Secondary Charter	11,475,455	0.01012%
36100	Mitchell County Schools	89,730,523	0.07910%
36102	KIPP Charlotte Charter	18,769,234	0.01655%

***Teachers' and State Employees' Retirement System
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June 30, 2014***

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Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
36105	Mayland Technical College	47,656,906	0.04201%
36200	Montgomery County Schools	181,439,445	0.15994%
36205	Montgomery Community College	28,881,219	0.02546%
36300	Moore County Schools	549,682,748	0.48456%
36301	Academy of Moore County	5,632,810	0.00497%
36302	Stars Charter School	11,944,427	0.01053%
36305	Sandhills Community College	109,598,330	0.09661%
36400	Nash-Rocky Mount Schools	626,815,460	0.55255%
36405	Nash Technical College	101,478,867	0.08946%
36500	New Hanover County Schools	1,162,560,484	1.02482%
36501	Cape Fear Center for Inquiry	12,518,955	0.01104%
36502	Wilmington Preperatory Academy	5,135,905	0.00453%
36505	Cape Fear Community College	244,238,104	0.21530%
36600	Northampton County Schools	99,573,188	0.08778%
36601	Gaston College Preparatory Charter	34,710,835	0.03060%
36700	Onslow County Schools	1,023,254,242	0.90202%
36701	ZECA School of the Arts and Technology	2,489,854	0.00219%
36705	Coastal Carolina Community College	115,474,116	0.10179%
36800	Orange County Schools	372,073,041	0.32799%
36801	PACE Academy	7,050,908	0.00622%
36802	Orange Charter School	9,842,515	0.00868%
36810	Chapel Hill - Carboro City Schools	713,421,404	0.62889%
36900	Pamlico County Schools	72,140,716	0.06359%
36901	Arapahoe Charter School	20,870,686	0.01840%
36905	Pamlico Community College	23,681,046	0.02088%
37000	Elizabeth City and Pasquotank County Schools	241,097,585	0.21253%
37005	College of the Albemarle	62,113,824	0.05475%
37100	Pender County Schools	333,193,402	0.29372%
37200	Perquimans County Schools	81,601,290	0.07193%
37300	Person County Schools	213,182,063	0.18792%
37301	Roxboro Community School	19,157,980	0.01689%
37305	Piedmont Community College	80,956,356	0.07136%
37400	Pitt County Schools	1,024,377,610	0.90301%
37405	Pitt Community College	213,831,361	0.18850%
37500	Polk County Schools	116,636,906	0.10282%
37600	Randolph County Schools	747,002,006	0.65850%
37601	Uwharrie Charter Academy	4,770,181	0.00421%
37605	Randolph Community College	84,450,341	0.07444%
37610	Asheboro City Schools	236,096,506	0.20812%
37700	Richmond County Schools	307,540,807	0.27110%
37705	Richmond Technical College	88,658,404	0.07815%
37800	Robeson County Schools	946,740,664	0.83457%
37801	Southeastern Academy Charter School	3,532,803	0.00311%
37805	Robeson Community College	93,131,487	0.08210%
37900	Rockingham County Schools	562,244,161	0.49563%
37901	Bethany Community Middle School	7,064,694	0.00623%
37905	Rockingham Community College	62,425,827	0.05503%
38000	Rowan-Salisbury School System	820,799,191	0.72355%
38005	Rowan-Cabarrus Community College	162,161,394	0.14295%

Teachers' and State Employees' Retirement System
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Schedule 1

Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
38100	Rutherford County Schools	379,739,955	0.33475%
38105	Isothermal Community College	79,682,972	0.07024%
38200	Sampson County Schools	371,779,227	0.32773%
38205	Sampson Community College	55,791,740	0.04918%
38210	Clinton City Schools	132,462,535	0.11677%
38300	Scotland County Schools	287,240,246	0.25321%
38400	Stanly County Schools	360,886,045	0.31813%
38402	Gray Stone Day School	12,368,795	0.01090%
38405	Stanly Community College	88,057,203	0.07762%
38500	Stokes County Schools	297,704,591	0.26243%
38600	Surry County Schools	352,293,319	0.31055%
38601	Bridges Charter Schools	3,894,044	0.00343%
38602	Millennium Charter Academy	16,983,404	0.01497%
38605	Surry Community College	97,424,407	0.08588%
38610	Mount Airy City Schools	73,255,494	0.06458%
38620	Elkin City Schools	56,880,230	0.05014%
38700	Swain County Schools	96,145,955	0.08475%
38701	Mountain Discovery Charter	7,324,970	0.00646%
38800	Transylvania County Schools	171,575,529	0.15125%
38801	Brevard Academy Charter School	10,726,343	0.00946%
38900	Tyrrell County Schools	37,406,794	0.03297%
39000	Union County Schools	1,732,499,589	1.52723%
39100	Vance County Schools	288,861,250	0.25464%
39101	Vance Charter School	20,254,753	0.01785%
39105	Vance-Granville Community College	116,164,660	0.10240%
39200	Wake County Schools	6,778,726,167	5.97558%
39201	Endeavor Charter School	18,654,988	0.01644%
39204	Southern Wake Academy	8,339,918	0.00735%
39205	Wake Technical College	502,683,401	0.44313%
39208	East Wake Academy	43,773,233	0.03859%
39209	Casa Esperanza Montessori	18,153,529	0.01600%
39300	Warren County Schools	107,204,909	0.09450%
39301	Haliwa-Saponi Tribal Charter	8,121,677	0.00716%
39400	Washington County Schools	81,156,023	0.07154%
39401	Henderson Collegiate Charter School	12,603,810	0.01111%
39500	Watauga County Schools	223,420,025	0.19695%
39501	Two Rivers Community School	8,017,921	0.00707%
39600	Wayne County Schools	734,640,810	0.64760%
39605	Wayne Community College	105,866,014	0.09332%
39700	Wilkes County Schools	432,677,290	0.38141%
39703	Pinnacle Classical Academy	7,307,104	0.00644%
39705	Wilkes Community College	100,620,838	0.08870%
39800	Wilson County Schools	493,905,757	0.43539%
39805	Wilson Community College	55,725,776	0.04912%
39900	Yadkin County Schools	240,367,722	0.21189%
51000	Highway - Administrative	4,200,458,895	3.70279%
Total		<u>\$ 113,440,528,077</u>	<u>\$ 100.00000%</u>

The accompanying notes to the schedules are an integral part of this schedule.

***Teachers' and State Employees' Retirement System
Schedule of Employer Allocations
June 30, 2013***

Schedule 2

Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
10200	North Carolina Education Lottery	\$ 119,846,608	0.10540%
10400	Department of Justice	549,398,411	0.48340%
10500	State Auditor	86,190,023	0.07580%
10700	Department of Cultural Resources	218,911,743	0.19260%
10800	Administrative Office of the Courts	2,259,044,011	1.98760%
10850	Office of Administrative Hearings	11,335,729	0.01000%
10900	Department of Administration	202,151,391	0.17790%
10910	Office of State Budget & Management	36,021,426	0.03170%
10930	Information Technology Services	290,609,989	0.25570%
10940	Office of State Controller	101,103,778	0.08900%
10950	N.C. School of Science & Mathematics	72,031,206	0.06340%
11300	Environment and Natural Resources	989,633,071	0.87070%
11310	N.C. Housing Finance Agency	59,173,107	0.05210%
11600	Wildlife Resources Commission	246,084,436	0.21650%
11900	State Board of Elections	26,088,217	0.02300%
12100	Governor's Office	23,334,197	0.02050%
12150	Lt. Governor's Office	3,488,667	0.00310%
12160	General Assembly	196,381,520	0.17280%
12220	Health & Human Services	5,639,242,575	4.96160%
12510	Department of Commerce	743,184,826	0.65390%
12600	Insurance Department	186,447,415	0.16400%
12700	Labor Department	145,422,291	0.12790%
13500	Revenue Department	485,293,336	0.42700%
13700	Secretary of State	65,789,974	0.05790%
14200	N.C. Cemetery Commission	237,848	0.00020%
14300	State Treasurer	177,603,771	0.15630%
18400	Department of Agriculture	644,518,580	0.56710%
18600	Barber Examiners, State Board of	2,724,134	0.00240%
18640	North Carolina Board of Opticians	407,031	0.00040%
18670	State Board of Examiners for Electrical Contractors	434,236	0.00040%
18690	N.C. Real Estate Commission	1,265,701	0.00110%
18740	N.C. Auctioneers Licensing Board	818,605	0.00070%
18780	N.C. State Board of Examiners of Practicing Psychol	1,126,270	0.00100%
19005	Community Colleges Administration	93,734,451	0.08250%
19100	Department of Public Safety	8,012,568,157	7.04980%
20100	Appalachian State University	632,649,606	0.55660%
20200	N.C. School of the Arts	93,100,090	0.08190%
20300	East Carolina University	1,505,554,721	1.32460%
20400	Elizabeth City State University	194,813,561	0.17140%
20600	Fayetteville State University	244,189,996	0.21480%
20700	N.C. A&T University	478,733,070	0.42120%
20800	N.C. Central University	448,289,556	0.39440%
20900	University of North Carolina at Greensboro	628,194,417	0.55270%
21200	UNC - Pembroke	193,664,541	0.17040%
21300	N.C. State University	2,406,755,835	2.11750%

Teachers' and State Employees' Retirement System
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Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
21520	UNC-CH CB 1260	3,637,189,760	3.20010%
21525	UNC-General Administration	157,607,686	0.13870%
21550	UNC Health Care System	3,866,757,712	3.40210%
21570	University of North Carolina Press	23,491,075	0.02070%
21800	Western Carolina University	322,363,211	0.28360%
21900	Winston-Salem State University	276,099,427	0.24290%
22000	Department of Public Instruction	496,343,428	0.43670%
23000	University of North Carolina at Asheville	126,333,902	0.11120%
23100	University of North Carolina at Charlotte	751,390,248	0.66110%
23200	University of North Carolina at Wilmington	435,294,423	0.38300%
30000	Yancey County Schools	119,264,042	0.10490%
30100	Alamance County Schools	978,347,927	0.86080%
30102	Clover Garden Charter School	13,002,761	0.01140%
30103	River Mill Academy Charter	17,350,695	0.01530%
30104	The Hawbridge School	6,178,759	0.00540%
30105	Alamance Community College	92,903,714	0.08170%
30200	Alexander County Schools	236,205,031	0.20780%
30300	Alleghany County Schools	77,037,912	0.06780%
30400	Anson County Schools	154,555,315	0.13600%
30405	South Piedmont Community College	79,035,829	0.06950%
30500	Ashe County Schools	151,897,442	0.13360%
30600	Avery County Schools	114,381,103	0.10060%
30601	Grandfather Academy	2,440,065	0.00210%
30700	Beaufort County Schools	295,516,969	0.26000%
30705	Beaufort County Community College	55,948,211	0.04920%
30800	Bertie County Schools	124,026,229	0.10910%
30900	Bladen County Schools	215,273,293	0.18940%
30905	Bladen Community College	47,395,795	0.04170%
31000	Brunswick County Schools	528,630,255	0.46510%
31005	Brunswick Community College	56,611,978	0.04980%
31100	Buncombe County Schools	1,132,013,533	0.99600%
31101	F. Delany New School for Children	8,429,684	0.00740%
31102	Evergreen Community Charter School	20,226,320	0.01780%
31105	Asheville-Buncombe Technical College	177,904,549	0.15650%
31110	Asheville City Schools	250,661,688	0.22050%
31200	Burke County Schools	584,325,262	0.51410%
31205	Western Piedmont Community College	83,411,439	0.07340%
31300	Cabarrus County Schools	1,233,811,689	1.08550%
31301	Carolina International School	18,481,646	0.01630%
31320	Kannapolis City Schools	258,044,802	0.22700%
31400	Caldwell County Schools	547,516,257	0.48170%
31405	Caldwell Community College	125,220,417	0.11020%
31500	Camden County Schools	86,458,285	0.07610%
31600	Carteret County Schools	361,313,946	0.31790%
31601	Cape Lookout Marine Science H.S.	1,037,573	0.00090%

Teachers' and State Employees' Retirement System
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Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
31605	Carteret Community College	56,395,258	0.04960%
31700	Caswell County Schools	112,763,250	0.09920%
31800	Catawba County Schools	708,450,172	0.62330%
31805	Catawba Valley Community College	142,196,235	0.12510%
31810	Hickory City Schools	181,499,456	0.15970%
31820	Newton-Conover City Schools	143,844,338	0.12660%
31900	Chatham County Schools	394,572,443	0.34720%
32000	Cherokee County Schools	155,424,063	0.13670%
32005	Tri-County Community College	34,494,062	0.03030%
32100	Edenton-Chowan County Schools	110,984,926	0.09760%
32200	Clay County Schools	59,482,532	0.05230%
32300	Cleveland County Schools	733,333,585	0.64520%
32305	Cleveland Technical College	66,962,415	0.05890%
32400	Columbus County Schools	262,425,270	0.23090%
32405	Southeastern Community College	73,636,774	0.06480%
32410	Whiteville City Schools	95,898,479	0.08440%
32500	New Bern/Craven County Board of Education	583,304,787	0.51320%
32505	Craven Community College	86,306,030	0.07590%
32600	Cumberland County Schools	2,205,636,955	1.94060%
32605	Fayetteville Technical Community College	287,543,731	0.25300%
32700	Currituck County Schools	165,788,335	0.14590%
32800	Dare County Schools	243,880,349	0.21460%
32900	Davidson County Schools	752,748,800	0.66230%
32905	Davidson County Community College	118,864,142	0.10460%
32910	Lexington City Schools	149,098,380	0.13120%
32920	Thomasville City Schools	121,113,871	0.10660%
33000	Davie County Schools	292,773,717	0.25760%
33001	N.E. Regional School for Biotechnology	2,123,490	0.00190%
33027	Cornerstone Academy	11,940,543	0.01050%
33100	Duplin County Schools	374,153,221	0.32920%
33105	James Sprunt Technical College	53,850,331	0.04740%
33200	Durham Public Schools	1,712,160,359	1.50640%
33202	Central Park School for Children	14,932,705	0.01310%
33203	Healthy Start Academy	13,241,812	0.01170%
33204	Voyager Academy	45,844,620	0.04030%
33205	Durham Technical Institute	140,475,608	0.12360%
33206	Bear Grass Charter School	10,108,062	0.00890%
33300	Edgecombe County Schools	275,186,408	0.24210%
33305	Edgecombe Technical College	80,005,076	0.07040%
33400	Winston-Salem-Forsyth County Schools	2,245,359,945	1.97550%
33402	Arts Based Elementary Charter	13,835,542	0.01220%
33403	Downtown Middle	4,507,075	0.00400%
33405	Forsyth Technical Institute	215,537,600	0.18960%
33500	Franklin County Schools	355,349,133	0.31260%
33501	A Childs Garden Charter (AKA Cross Creek Charter)	7,249,594	0.00640%

***Teachers' and State Employees' Retirement System
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Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
33600	Gaston County Schools	1,185,678,465	1.04320%
33605	Gaston College	172,807,893	0.15200%
33700	Gates County Schools	90,629,421	0.07970%
33800	Graham County Schools	64,254,545	0.05650%
33900	Granville County Schools and Oxford Orphanage	350,495,580	0.30840%
34000	Greene County Schools	158,686,549	0.13960%
34100	Guilford County Schools	3,416,574,265	3.00600%
34105	Guilford Technical Community College	310,740,674	0.27340%
34200	Halifax County Schools	178,449,957	0.15700%
34205	Halifax Community College	59,854,734	0.05270%
34220	Roanoke Rapids City Schools	124,636,378	0.10970%
34230	Weldon City Schools	57,083,492	0.05020%
34300	Harnett County Schools	781,747,582	0.68780%
34400	Haywood County Schools	336,970,460	0.29650%
34405	Haywood Technical College	72,731,350	0.06400%
34500	Henderson County Schools	565,248,908	0.49730%
34501	Mountain Community School	6,308,321	0.00560%
34505	Blue Ridge Community College	70,137,799	0.06170%
34600	Hertford County Schools	151,402,904	0.13320%
34605	Roanoke-Chowan Community College	32,770,079	0.02880%
34700	Hoke County Schools	351,216,957	0.30900%
34800	Hyde County Schools	38,956,249	0.03430%
34900	Iredell County Schools	880,785,545	0.77490%
34901	American Renaissance Middle School	20,824,156	0.01830%
34903	Success Institute	2,478,127	0.00220%
34905	Mitchell Community College	89,031,923	0.07830%
34910	Mooresville City Schools	234,141,330	0.20600%
35000	Jackson County Schools	161,792,675	0.14240%
35005	Southwestern Community College	75,996,977	0.06690%
35100	Johnston County Schools	1,476,150,776	1.29880%
35105	Johnston Technical College	131,268,996	0.11550%
35106	Neuse Charter School	21,486,516	0.01890%
35200	Jones County Schools	61,676,346	0.05430%
35300	Sanford-Lee County Board of Education	416,671,750	0.36660%
35305	Central Carolina Community College	138,708,826	0.12200%
35400	Lenoir County Schools	359,952,682	0.31670%
35401	Childrens Village Academy	3,625,172	0.00320%
35402	Kinston Charter Academy	11,296,458	0.00990%
35405	Lenoir County Community College	121,344,089	0.10680%
35500	Lincoln County Schools	486,644,679	0.42820%
35600	Macon County Schools	200,755,477	0.17660%
35700	Madison County Schools	114,908,962	0.10110%
35800	Martin County Schools	171,227,640	0.15070%
35805	Martin Community College	24,279,801	0.02140%
35900	Mcdowell County Schools	301,188,452	0.26500%

Teachers' and State Employees' Retirement System
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Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
35905	Mcdowell Technical College	43,472,292	0.03820%
36000	Charlotte-Mecklenburg County Schools	6,440,214,616	5.66630%
36001	Community Charter School	6,664,515	0.00590%
36002	Kennedy Charter	19,701,762	0.01730%
36003	Community School of Davidson	46,853,404	0.04120%
36005	Central Piedmont Community College	505,206,821	0.44450%
36006	Lake Norman Charter School	56,762,619	0.04990%
36007	Socrates Academy	19,021,689	0.01670%
36008	Pine Lake Prep Charter	54,380,261	0.04780%
36009	Charlotte Secondary Charter	9,435,510	0.00830%
36100	Mitchell County Schools	94,585,884	0.08320%
36102	KIPP Charlotte Charter	18,895,261	0.01660%
36105	Mayland Technical College	50,095,669	0.04410%
36200	Montgomery County Schools	184,449,205	0.16230%
36205	Montgomery Community College	28,746,351	0.02530%
36300	Moore County Schools	555,578,030	0.48880%
36301	Academy of Moore County	5,360,555	0.00470%
36302	Stars Charter School	10,753,954	0.00950%
36305	Sandhills Community College	116,095,372	0.10210%
36400	Nash-Rocky Mount Schools	686,022,562	0.60360%
36405	Nash Technical College	94,019,920	0.08270%
36500	New Hanover County Schools	1,130,759,825	0.99490%
36501	Cape Fear Center for Inquiry	12,464,377	0.01100%
36502	Wilmington Preperatory Academy	4,377,895	0.00390%
36505	Cape Fear Community College	234,029,842	0.20590%
36600	Northampton County Schools	104,068,465	0.09160%
36601	Gaston College Preparatory Charter	31,222,146	0.02750%
36700	Onslow County Schools	1,003,869,141	0.88320%
36705	Coastal Carolina Community College	118,931,356	0.10460%
36800	Orange County Schools	376,729,054	0.33150%
36801	PACE Academy	7,087,049	0.00620%
36802	Orange Charter School	10,683,473	0.00940%
36810	Chapel Hill - Carboro City Schools	709,656,576	0.62440%
36900	Pamlico County Schools	71,954,797	0.06330%
36901	Arapahoe Charter School	20,767,417	0.01830%
36905	Pamlico Community College	23,517,070	0.02070%
37000	Elizabeth City and Pasquotank County Schools	251,739,138	0.22150%
37005	College of the Albemarle	63,100,902	0.05550%
37100	Pender County Schools	346,664,212	0.30500%
37200	Perquimans County Schools	84,579,563	0.07440%
37300	Person County Schools	224,304,813	0.19740%
37301	Roxboro Community School	18,785,153	0.01650%
37305	Piedmont Community College	84,505,733	0.07440%
37400	Pitt County Schools	1,028,121,926	0.90460%
37405	Pitt Community College	208,240,368	0.18320%

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Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
37500	Polk County Schools	113,980,344	0.10030%
37600	Randolph County Schools	745,873,615	0.65620%
37605	Randolph Community College	84,497,022	0.07430%
37610	Asheboro City Schools	231,504,717	0.20370%
37700	Richmond County Schools	313,969,321	0.27620%
37705	Richmond Technical College	80,429,133	0.07080%
37800	Robeson County Schools	937,142,706	0.82450%
37805	Robeson Community College	89,241,133	0.07850%
37900	Rockingham County Schools	558,647,161	0.49150%
37901	Bethany Community Middle School	6,916,403	0.00610%
37905	Rockingham Community College	63,732,283	0.05610%
38000	Rowan-Salisbury School System	870,622,825	0.76600%
38005	Rowan-Cabarrus Community College	158,410,172	0.13940%
38100	Rutherford County Schools	397,568,007	0.34980%
38105	Isothermal Community College	80,430,327	0.07080%
38200	Sampson County Schools	366,093,312	0.32210%
38205	Sampson Community College	57,423,300	0.05050%
38210	Clinton City Schools	129,887,078	0.11430%
38300	Scotland County Schools	308,808,139	0.27170%
38400	Stanly County Schools	378,787,448	0.33330%
38402	Gray Stone Day School	10,972,959	0.00970%
38405	Stanly Community College	89,738,983	0.07900%
38500	Stokes County Schools	301,771,480	0.26550%
38600	Surry County Schools	369,873,433	0.32540%
38601	Bridges Charter Schools	3,384,319	0.00300%
38602	Millennium Charter Academy	16,836,208	0.01480%
38605	Surry Community College	96,161,700	0.08460%
38610	Mount Airy City Schools	72,119,172	0.06350%
38620	Elkin City Schools	56,370,285	0.04960%
38700	Swain County Schools	94,022,443	0.08270%
38701	Mountain Discovery Charter	8,260,390	0.00730%
38800	Transylvania County Schools	173,131,154	0.15230%
38801	Brevard Academy Charter School	7,647,304	0.00670%
38900	Tyrrell County Schools	40,200,847	0.03540%
39000	Union County Schools	1,751,999,809	1.54150%
39100	Vance County Schools	298,191,981	0.26240%
39101	Vance Charter School	20,264,286	0.01780%
39105	Vance-Granville Community College	114,830,560	0.10100%
39200	Wake County Schools	6,690,930,435	5.88690%
39201	Endeavor Charter School	18,312,757	0.01610%
39204	Southern Wake Academy	6,074,705	0.00530%
39205	Wake Technical College	472,043,235	0.41530%
39208	East Wake Academy	46,152,237	0.04060%
39209	Casa Esperanza Montessori	19,041,094	0.01680%
39300	Warren County Schools	110,283,248	0.09700%

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Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
39301	Haliwa-Saponi Tribal Charter	6,227,814	0.00550%
39400	Washington County Schools	75,061,141	0.06600%
39401	Henderson Collegiate Charter School	9,146,007	0.00800%
39500	Watauga County Schools	220,374,878	0.19390%
39501	Two Rivers Community School	7,538,811	0.00660%
39600	Wayne County Schools	766,595,156	0.67450%
39605	Wayne Community College	103,425,767	0.09100%
39700	Wilkes County Schools	437,793,641	0.38520%
39705	Wilkes Community College	96,925,606	0.08530%
39800	Wilson County Schools	514,906,887	0.45300%
39805	Wilson Community College	58,690,947	0.05160%
39900	Yadkin County Schools	251,802,532	0.22150%
51000	Highway - Administrative	4,166,445,351	3.66580%
Total		<u>\$ 113,658,217,358</u>	<u>\$ 100.00000%</u>

The accompanying notes to the schedules are an integral part of this schedule.

Teachers' and State Employees' Retirement System
Schedule of Pension Amounts by Employer
June 30, 2014

Deferred Outflows of Resources								
Employer Number	Employer	Net Pension Liability	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Plan Investments		Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
10200	North Carolina Education Lottery	\$ 1,300,918	\$ -	\$ -	\$ -	\$ 185,846	\$ 185,846	
10400	Department of Justice	5,593,269	-	-	-	-	-	
10500	State Auditor	849,067	-	-	-	-	-	
10700	Department of Cultural Resources	2,233,110	-	-	-	180,171	180,171	
10800	Administrative Office of the Courts	23,225,777	-	-	-	261,286	261,286	
10850	Office of Administrative Hearings	140,456	-	-	-	169,210	169,210	
10900	Department of Administration	2,176,482	-	-	-	876,443	876,443	
10910	Office of State Budget & Management	349,030	-	-	-	-	-	
10930	Information Technology Services	2,836,204	-	-	-	-	-	
10940	Office of State Controller	1,001,248	-	-	-	-	-	
10950	N.C. School of Science & Mathematics	783,646	-	-	-	236,411	236,411	
11300	Environment and Natural Resources	9,989,144	-	-	-	-	-	
11310	N.C. Housing Finance Agency	605,673	-	-	-	30,575	30,575	
11600	Wildlife Resources Commission	2,605,119	-	-	-	208,679	208,679	
11900	State Board of Elections	259,574	-	-	-	-	-	
12100	Governor's Office	295,333	-	-	-	262,802	262,802	
12150	Lt. Governor's Office	39,511	-	-	-	11,531	11,531	
12160	General Assembly	2,165,813	-	-	-	799,741	799,741	
12220	Health & Human Services	57,701,520	-	-	-	2,198,807	2,198,807	
12510	Department of Commerce	7,430,804	-	-	-	341,658	341,658	
12600	Insurance Department	1,843,280	-	-	-	-	-	
12700	Labor Department	1,451,340	-	-	-	-	-	
13500	Revenue Department	4,975,637	-	-	-	188,468	188,468	
13700	Secretary of State	675,314	-	-	-	38,408	38,408	
14200	N.C. Cemetary Commission	-	-	-	-	-	-	
14300	State Treasurer	1,810,453	-	-	-	-	-	
18400	Department of Agriculture	6,726,297	-	-	-	821,395	821,395	
18600	Barber Examiners, State Board of	28,607	-	-	-	6,066	6,066	
18640	North Carolina Board of Opticians	2,110	-	-	-	-	-	
18670	State Board of Examiners for Electrical Contractors	4,103	-	-	-	-	-	
18690	N.C. Real Estate Commission	14,069	-	-	-	23,592	23,592	
18740	N.C. Auctioneers Licensing Board	8,090	-	-	-	583	583	
18780	N.C. State Board of Examiners of Practicing Psychol	14,773	-	-	-	14,489	14,489	
19005	Community Colleges Administration	946,378	-	-	-	50,538	50,538	
19100	Department of Public Safety	81,213,368	-	-	-	-	-	
20100	Appalachian State University	6,607,765	-	-	-	594,587	594,587	
20200	N.C. School of the Arts	952,944	-	-	-	105,648	105,648	
20300	East Carolina University	16,091,595	-	-	-	2,771,437	2,771,437	
20400	Elizabeth City State University	1,729,086	-	-	-	-	-	
20600	Fayetteville State University	2,479,201	-	-	-	12,078	12,078	
20700	N.C. A&T University	4,839,285	-	-	-	208,123	208,123	
20800	N.C. Central University	4,589,911	-	-	-	194,550	194,550	
20900	University of North Carolina at Greensboro	6,216,997	-	-	-	-	-	
21200	UNC - Pembroke	1,936,957	-	-	-	-	-	
21300	N.C. State University	25,160,037	-	-	-	2,557,862	2,557,862	
21520	UNC-CH CB 1260	37,801,432	-	-	-	2,777,007	2,777,007	
21525	UNC-General Administration	1,616,534	-	-	-	186,090	186,090	
21550	UNC Health Care System	42,860,194	-	-	-	9,803,534	9,803,534	
21570	University of North Carolina Press	219,125	-	-	-	-	-	
21800	Western Carolina University	3,436,600	-	-	-	695,537	695,537	
21900	Winston-Salem State University	2,892,011	-	-	-	411,092	411,092	
22000	Department of Public Instruction	5,224,425	-	-	-	1,112,323	1,112,323	
23000	University of North Carolina at Asheville	1,389,788	-	-	-	527,186	527,186	
23100	University of North Carolina at Charlotte	7,950,070	-	-	-	1,183,458	1,183,458	
23200	University of North Carolina at Wilmington	4,270,426	-	-	-	-	-	
30000	Yancey County Schools	1,195,400	-	-	-	-	-	
30100	Alamance County Schools	9,868,150	-	-	-	-	-	
30102	Clover Garden Charter School	143,387	-	-	-	23,406	23,406	
30103	River Mill Academy Charter	201,656	-	-	-	66,378	66,378	
30104	The Hawbridge School	81,718	-	-	-	71,288	71,288	
30105	Alamance Community College	972,992	-	-	-	159,744	159,744	

Deferred Inflows of Resources					Pension Expense				
Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense		
\$ 303,237	\$ 4,395,328	\$ -	\$ -	\$ 4,698,565	\$ 556,859	\$ 49,036	\$ 605,895		
1,303,761	18,897,611	-	2,337	20,203,709	2,394,204	(617)	2,393,587		
197,913	2,868,688	-	120,522	3,187,123	363,444	(31,800)	331,644		
520,526	7,544,863	-	-	8,065,389	955,885	47,539	1,003,424		
5,413,803	78,471,412	-	-	83,885,215	9,941,818	68,941	10,010,759		
32,740	474,550	-	-	507,290	60,122	44,646	104,768		
507,326	7,353,538	-	-	7,860,864	931,645	231,252	1,162,897		
81,357	1,179,244	-	65,940	1,326,541	149,403	(17,398)	132,005		
661,104	9,582,495	-	295,900	10,539,499	1,214,040	(78,074)	1,135,966		
233,385	3,382,849	-	59,924	3,676,158	428,585	(15,811)	412,774		
182,664	2,647,654	-	-	2,830,318	335,441	62,378	397,819		
2,328,416	33,749,667	-	289,057	36,367,140	4,275,863	(76,268)	4,199,595		
141,179	2,046,347	-	-	2,187,526	259,259	8,067	267,326		
607,239	8,801,746	-	-	9,408,985	1,115,124	55,060	1,170,184		
60,505	877,006	-	59,874	997,385	111,111	(15,798)	95,313		
68,840	997,822	-	-	1,066,662	126,418	69,341	195,759		
9,210	133,492	-	-	142,702	16,913	3,042	19,955		
504,839	7,317,492	-	-	7,822,331	927,079	211,013	1,138,092		
13,449,913	194,952,345	-	-	208,402,258	24,699,194	580,161	25,279,355		
1,732,080	25,105,972	-	-	26,838,052	3,180,763	90,147	3,270,910		
429,659	6,227,770	-	68,266	6,725,695	789,018	(18,012)	771,006		
338,300	4,903,547	-	14,549	5,256,396	621,248	(3,839)	617,409		
1,159,794	16,810,860	-	-	17,970,654	2,129,827	49,728	2,179,555		
157,412	2,281,641	-	-	2,439,053	289,069	10,134	299,203		
-	-	-	9,607	9,607	-	(2,535)	(2,535)		
422,007	6,116,857	-	76,264	6,615,128	774,966	(20,122)	754,844		
1,567,863	22,725,697	-	-	24,293,560	2,879,198	216,727	3,095,925		
6,668	96,653	-	-	103,321	12,245	1,601	13,846		
492	7,130	-	10,033	17,655	903	(2,647)	(1,744)		
956	13,864	-	5,631	20,451	1,756	(1,486)	270		
3,279	47,534	-	-	50,813	6,022	6,225	12,247		
1,886	27,332	-	-	29,218	3,463	154	3,617		
3,443	49,911	-	-	53,354	6,323	3,823	10,146		
220,596	3,197,466	-	-	3,418,062	405,098	13,335	418,433		
18,930,398	274,390,285	-	5,892,609	299,213,292	34,763,465	(1,554,778)	33,208,687		
1,540,234	22,325,222	-	-	23,865,456	2,828,460	156,883	2,985,343		
222,126	3,219,649	-	-	3,441,775	407,909	27,875	435,784		
3,750,864	54,367,619	-	-	58,118,483	6,888,024	731,250	7,619,274		
403,041	5,841,951	-	974,025	7,219,017	740,137	(256,999)	483,138		
577,888	8,376,315	-	-	8,954,203	1,061,225	3,187	1,064,412		
1,128,011	16,350,175	-	-	17,478,186	2,071,461	54,914	2,126,375		
1,069,883	15,507,631	-	-	16,577,514	1,964,716	51,332	2,016,048		
1,449,148	21,004,960	-	745,420	23,199,528	2,661,192	(196,681)	2,464,511		
451,494	6,544,269	-	176,341	7,172,104	829,116	(46,528)	782,588		
5,864,669	85,006,570	-	-	90,871,239	10,769,780	674,898	11,444,678		
8,811,310	127,717,222	-	-	136,528,532	16,180,942	732,720	16,913,662		
376,805	5,461,678	-	-	5,838,483	691,959	49,100	741,059		
9,990,480	144,808,930	-	-	154,799,410	18,346,350	2,586,685	20,933,035		
51,077	740,345	-	79,996	871,418	93,797	(21,107)	72,690		
801,053	11,611,017	-	-	12,412,070	1,471,040	183,519	1,654,559		
674,112	9,771,048	-	-	10,445,160	1,237,928	108,468	1,346,396		
1,217,785	17,651,423	-	-	18,869,208	2,236,321	293,489	2,529,810		
323,952	4,695,585	-	-	5,019,537	594,900	139,099	733,999		
1,853,118	26,860,379	-	-	28,713,497	3,403,035	312,258	3,715,293		
995,413	14,428,209	-	624,560	16,048,182	1,827,960	(164,792)	1,663,168		
278,641	4,038,821	-	192,564	4,510,026	511,692	(50,809)	460,883		
2,300,213	33,340,873	-	1,392,902	37,033,988	4,224,072	(367,520)	3,856,552		
33,423	484,453	-	-	517,876	61,377	6,176	67,553		
47,005	681,323	-	-	728,328	86,319	17,514	103,833		
19,048	276,094	-	-	295,142	34,979	18,809	53,788		
226,799	3,287,385	-	-	3,514,184	416,490	42,149	458,639		

Teachers' and State Employees' Retirement System
Schedule of Pension Amounts by Employer
June 30, 2014

Employer Number	Employer	Net Pension Liability	Differences Between Expected and Actual Experience	Deferred Outflows of Resources			
				Net Difference Between Projected and Actual Investment Earnings on Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
30200	Alexander County Schools	2,376,028	-	-	-	-	-
30300	Alleghany County Schools	788,922	-	-	-	-	-
30400	Anson County Schools	1,495,423	-	-	-	-	-
30405	South Piedmont Community College	881,661	-	-	-	287,601	287,601
30500	Ashe County Schools	1,528,134	-	-	-	-	-
30600	Avery County Schools	1,188,483	-	-	-	15,865	15,865
30601	Grandfather Academy	24,738	-	-	-	-	-
30700	Beaufort County Schools	3,052,281	-	-	-	61,696	61,696
30705	Beaufort County Community College	600,162	-	-	-	146,720	146,720
30800	Bertie County Schools	1,342,422	-	-	-	273,912	273,912
30900	Bladen County Schools	2,160,068	-	-	-	-	-
30905	Bladen Community College	476,472	-	-	-	1,845	1,845
31000	Brunswick County Schools	5,618,593	-	-	-	692,030	692,030
31005	Brunswick Community College	561,707	-	-	-	-	-
31100	Buncombe County Schools	11,654,568	-	-	-	-	-
31101	F. Delany New School for Children	89,573	-	-	-	-	-
31102	Evergreen Community Charter School	183,718	-	-	-	-	-
31105	Asheville-Buncombe Technical College	1,834,956	-	-	-	101,818	101,818
31110	Asheville City Schools	2,632,789	-	-	-	51,547	51,547
31200	Burke County Schools	5,947,223	-	-	-	-	-
31205	Western Piedmont Community College	803,695	-	-	-	-	-
31300	Cabarrus County Schools	12,489,566	-	-	-	-	-
31301	Carolina International School	210,450	-	-	-	48,976	48,976
31320	Kannapolis City Schools	2,582,492	-	-	-	-	-
31400	Caldwell County Schools	5,556,220	-	-	-	-	-
31405	Caldwell Community College	1,237,725	-	-	-	-	-
31500	Camden County Schools	891,157	-	-	-	-	-
31600	Carteret County Schools	3,813,417	-	-	-	428,557	428,557
31601	Cape Lookout Marine Science H.S.	10,552	-	-	-	-	-
31605	Carteret Community College	559,831	-	-	-	-	-
31700	Caswell County Schools	1,121,303	-	-	-	-	-
31800	Catawba County Schools	7,301,252	-	-	-	-	-
31805	Catawba Valley Community College	1,446,416	-	-	-	50,250	50,250
31810	Hickory City Schools	1,759,569	-	-	-	-	-
31820	Newton-Conover City Schools	1,482,878	-	-	-	-	-
31900	Chatham County Schools	4,070,294	-	-	-	-	-
32000	Cherokee County Schools	1,580,189	-	-	-	-	-
32005	Tri-County Community College	375,175	-	-	-	95,617	95,617
32100	Edenton-Chowan County Schools	1,126,345	-	-	-	-	-
32200	Clay County Schools	629,473	-	-	-	75,611	75,611
32300	Cleveland County Schools	7,408,880	-	-	-	-	-
32305	Cleveland Technical College	711,660	-	-	-	182,943	182,943
32400	Columbus County Schools	2,581,788	-	-	-	-	-
32405	Southeastern Community College	727,370	-	-	-	-	-
32410	Whiteville City Schools	1,010,744	-	-	-	143,618	143,618
32420	SEGS Academy	25,911	-	-	-	97,447	97,447
32500	New Bern/Craven County Board of Education	5,978,526	-	-	-	-	-
32505	Craven Community College	848,716	-	-	-	-	-
32600	Cumberland County Schools	22,097,439	-	-	-	-	-
32605	Fayetteville Technical Community College	2,953,680	-	-	-	229,355	229,355
32700	Currituck County Schools	1,722,404	-	-	-	77,196	77,196
32800	Dare County Schools	2,486,236	-	-	-	110,283	110,283
32900	Davidson County Schools	7,665,523	-	-	-	-	-
32901	Invest Collegiate Charter School	21,455	-	-	-	88,368	88,368
32905	Davidson County Community College	1,200,676	-	-	-	-	-
32910	Lexington City Schools	1,523,796	-	-	-	-	-
32920	Thomasville City Schools	1,182,856	-	-	-	-	-
33000	Davie County Schools	3,003,391	-	-	-	-	-
33001	N.E. Regional School for Biotechnology	50,649	-	-	-	107,692	107,692
33027	Cornerstone Academy	163,318	-	-	-	150,534	150,534
33100	Duplin County Schools	4,036,763	-	-	-	709,453	709,453

Deferred Inflows of Resources					Pension Expense		
Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
553,839	8,027,731	-	327,963	8,909,533	1,017,061	(86,534)	930,527
183,893	2,665,479	-	32,967	2,882,339	337,699	(8,698)	329,001
348,575	5,052,488	-	295,758	5,696,821	640,117	(78,036)	562,081
205,510	2,978,809	-	-	3,184,319	377,396	75,884	453,280
356,200	5,163,005	-	188,421	5,707,626	654,119	(49,715)	604,404
277,029	4,015,450	-	-	4,292,479	508,731	4,186	512,917
5,766	83,581	-	1,257	90,604	10,589	(332)	10,257
711,470	10,312,541	-	-	11,024,011	1,306,532	16,279	1,322,811
139,895	2,027,729	-	-	2,167,624	256,900	38,712	295,612
312,911	4,535,553	-	-	4,848,464	574,625	72,272	646,897
503,500	7,298,082	-	135,113	7,936,695	924,619	(35,650)	888,969
111,063	1,609,824	-	-	1,720,887	203,954	487	204,441
1,309,664	18,983,172	-	-	20,292,836	2,405,045	182,594	2,587,639
130,931	1,897,802	-	37,166	2,065,899	240,439	(9,806)	230,633
2,716,617	39,376,526	-	437,990	42,531,133	4,988,750	(115,565)	4,873,185
20,879	302,634	-	7,434	330,947	38,342	(1,961)	36,381
42,824	620,717	-	130,622	794,163	78,641	(34,465)	44,176
427,718	6,199,646	-	-	6,627,364	785,455	26,865	812,320
613,689	8,895,230	-	-	9,508,919	1,126,968	13,601	1,140,569
1,386,265	20,093,492	-	558,507	22,038,264	2,545,715	(147,363)	2,398,352
187,337	2,715,390	-	178,619	3,081,346	344,022	(47,129)	296,893
2,911,250	42,197,680	-	1,775,772	46,884,702	5,346,172	(468,541)	4,877,631
49,055	711,032	-	-	760,087	90,083	12,922	103,005
601,965	8,725,296	-	518,180	9,845,441	1,105,438	(136,723)	968,715
1,295,125	18,772,438	-	504,824	20,572,387	2,378,346	(133,199)	2,245,147
288,507	4,181,820	-	119,380	4,589,707	529,809	(31,499)	498,310
207,724	3,010,894	-	23,884	3,242,502	381,461	(6,302)	375,159
888,887	12,884,141	-	-	13,773,028	1,632,337	113,076	1,745,413
2,460	35,651	-	8,303	46,414	4,517	(2,191)	2,326
130,494	1,891,464	-	19,091	2,041,049	239,636	(5,037)	234,599
261,370	3,788,474	-	91,099	4,140,943	479,975	(24,037)	455,938
1,701,882	24,668,261	-	164,781	26,534,924	3,125,308	(43,478)	3,081,830
337,152	4,886,910	-	-	5,224,062	619,140	13,259	632,399
410,146	5,944,942	-	457,350	6,812,438	753,185	(120,673)	632,512
345,651	5,010,103	-	47,431	5,403,185	634,747	(12,515)	622,232
948,764	13,752,036	-	111,133	14,811,933	1,742,293	(29,323)	1,712,970
368,334	5,338,881	-	74,134	5,781,349	676,402	(19,560)	656,842
87,451	1,267,578	-	-	1,355,029	160,594	25,229	185,823
262,545	3,805,508	-	60,637	4,128,690	482,133	(15,999)	466,134
146,727	2,126,759	-	-	2,273,486	269,446	19,950	289,396
1,726,970	25,031,897	-	812,126	27,570,993	3,171,379	(214,281)	2,957,098
165,884	2,404,437	-	-	2,570,321	304,627	48,270	352,897
601,801	8,722,919	-	449,270	9,773,990	1,105,137	(118,541)	986,596
169,546	2,457,517	-	57,642	2,684,705	311,351	(15,209)	296,142
235,599	3,414,935	-	-	3,650,534	432,650	37,894	470,544
6,040	87,542	-	-	93,582	11,091	25,712	36,803
1,393,562	20,199,255	-	219,481	21,812,298	2,559,114	(57,911)	2,501,203
197,831	2,867,500	-	117,233	3,182,564	363,294	(30,932)	332,362
5,150,794	74,659,170	-	3,223,725	83,033,689	9,458,831	(850,587)	8,608,244
688,487	9,979,406	-	-	10,667,893	1,264,326	60,516	1,324,842
401,483	5,819,372	-	-	6,220,855	737,277	20,368	757,645
579,528	8,400,083	-	-	8,979,611	1,064,236	29,098	1,093,334
1,786,792	25,899,000	-	616,254	28,302,046	3,281,235	(162,600)	3,118,635
5,001	72,490	-	-	77,491	9,184	23,316	32,500
279,871	4,056,646	-	83,046	4,419,563	513,951	(21,912)	492,039
355,189	5,148,348	-	72,034	5,575,571	652,262	(19,006)	633,256
275,717	3,996,437	-	276,032	4,548,186	506,323	(72,832)	433,491
700,074	10,147,360	-	206,870	11,054,304	1,285,605	(54,583)	1,231,022
11,806	171,123	-	-	182,929	21,680	28,415	50,095
38,069	551,793	-	-	589,862	69,909	39,719	109,628
940,948	13,638,746	-	-	14,579,694	1,727,940	187,191	1,915,131

Teachers' and State Employees' Retirement System
Schedule of Pension Amounts by Employer
June 30, 2014

Employer Number	Employer	Net Pension Liability	Deferred Outflows of Resources				
			Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
33105	James Sprunt Technical College	541,190	-	-	-	-	-
33200	Durham Public Schools	17,425,928	-	-	-	-	-
33202	Central Park School for Children	173,636	-	-	-	56,010	56,010
33203	Healthy Start Academy	141,042	-	-	-	5,336	5,336
33204	Voyager Academy	470,493	-	-	-	-	-
33205	Durham Technical Institute	1,440,202	-	-	-	37,643	37,643
33206	Bear Grass Charter School	115,835	-	-	-	38,230	38,230
33300	Edgecombe County Schools	2,687,072	-	-	-	-	-
33305	Edgecombe Technical College	761,605	-	-	-	-	-
33400	Winston-Salem-Forsyth County Schools	23,397,537	-	-	-	1,063,962	1,063,962
33402	Arts Based Elementary Charter	163,904	-	-	-	55,902	55,902
33403	Downtown Middle	-	-	-	-	-	-
33405	Forsyth Technical Institute	2,403,815	-	-	-	841,148	841,148
33500	Franklin County Schools	3,802,279	-	-	-	460,108	460,108
33501	A Childs Garden Charter (AKA Cross Creek Charter)	71,635	-	-	-	-	-
33600	Gaston County Schools	12,111,578	-	-	-	-	-
33605	Gaston College	1,769,887	-	-	-	73,492	73,492
33700	Gates County Schools	952,123	-	-	-	38,614	38,614
33800	Graham County Schools	655,383	-	-	-	-	-
33900	Granville County Schools and Oxford Orphanage	3,564,629	-	-	-	-	-
34000	Greene County Schools	1,600,472	-	-	-	-	-
34100	Guilford County Schools	35,777,013	-	-	-	731,183	731,183
34105	Guilford Technical Community College	3,158,033	-	-	-	-	-
34200	Halifax County Schools	1,727,914	-	-	-	-	-
34205	Halifax Community College	601,804	-	-	-	-	-
34220	Roanoke Rapids City Schools	1,266,097	-	-	-	-	-
34230	Weldon City Schools	590,666	-	-	-	2,519	2,519
34300	Harnett County Schools	8,586,811	-	-	-	1,630,076	1,630,076
34400	Haywood County Schools	3,446,097	-	-	-	-	-
34405	Haywood Technical College	736,984	-	-	-	-	-
34500	Henderson County Schools	5,800,670	-	-	-	-	-
34501	Mountain Community School	66,594	-	-	-	69	69
34505	Blue Ridge Community College	749,412	-	-	-	174,314	174,314
34600	Hertford County Schools	1,499,644	-	-	-	-	-
34605	Roanoke-Chowan Community College	337,657	-	-	-	22,432	22,432
34700	Hoke County Schools	3,728,768	-	-	-	144,632	144,632
34800	Hyde County Schools	405,658	-	-	-	62,365	62,365
34900	Iredell County Schools	8,837,123	-	-	-	-	-
34901	American Renaissance Middle School	227,450	-	-	-	21,655	21,655
34903	Success Institute	24,738	-	-	-	-	-
34905	Mitchell Community College	907,571	-	-	-	-	-
34910	Mooresville City Schools	2,471,581	-	-	-	111,891	111,891
35000	Jackson County Schools	1,686,293	-	-	-	2,808	2,808
35005	Southwestern Community College	828,667	-	-	-	180,624	180,624
35100	Johnston County Schools	14,677,890	-	-	-	-	-
35105	Johnston Technical College	1,418,512	-	-	-	199,903	199,903
35106	Neuse Charter School	264,146	-	-	-	141,628	141,628
35200	Jones County Schools	653,976	-	-	-	123,491	123,491
35300	Sanford-Lee County Board of Education	4,201,253	-	-	-	-	-
35305	Central Carolina Community College	1,447,119	-	-	-	155,023	155,023
35400	Lenoir County Schools	3,696,057	-	-	-	-	-
35401	Childrens Village Academy	27,083	-	-	-	-	-
35402	Kinston Charter Academy	-	-	-	-	-	-
35405	Lenoir County Community College	1,269,146	-	-	-	47,289	47,289
35500	Lincoln County Schools	4,946,913	-	-	-	-	-
35600	Macon County Schools	1,998,509	-	-	-	-	-
35700	Madison County Schools	1,164,214	-	-	-	-	-
35800	Martin County Schools	1,730,611	-	-	-	-	-
35805	Martin Community College	237,767	-	-	-	-	-
35900	Mcdowell County Schools	3,010,191	-	-	-	-	-
35905	Mcdowell Technical College	439,892	-	-	-	19,886	19,886

Deferred Inflows of Resources					Pension Expense		
Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
126,148	1,828,482	-	32,630	1,987,260	231,657	(8,610)	223,047
4,061,890	58,875,840	-	1,446,661	64,384,391	7,459,186	(381,705)	7,077,481
40,474	586,651	-	-	627,125	74,325	14,778	89,103
32,876	476,530	-	-	509,406	60,373	1,408	61,781
109,669	1,589,622	-	61,999	1,761,290	201,395	(16,359)	185,036
335,703	4,865,916	-	-	5,201,619	616,480	9,932	626,412
27,001	391,365	-	-	418,366	49,583	10,087	59,670
626,342	9,078,633	-	605,474	10,310,449	1,150,204	(159,756)	990,448
177,526	2,573,184	-	152,401	2,903,111	326,006	(40,211)	285,795
5,453,839	79,051,725	-	-	84,505,564	10,015,339	280,729	10,296,068
38,205	553,773	-	-	591,978	70,159	14,750	84,909
-	-	-	192,143	192,143	-	(50,697)	(50,697)
560,316	8,121,611	-	-	8,681,927	1,028,955	221,939	1,250,894
886,291	12,846,509	-	-	13,732,800	1,627,569	121,400	1,748,969
16,698	242,028	-	22,380	281,106	30,663	(5,905)	24,758
2,823,143	40,920,595	-	821,455	44,565,193	5,184,373	(216,743)	4,967,630
412,551	5,979,800	-	-	6,392,351	757,602	19,391	776,993
221,935	3,216,876	-	-	3,438,811	407,557	10,188	417,745
152,766	2,214,301	-	39,061	2,406,128	280,538	(10,306)	270,232
830,896	12,043,578	-	227,992	13,102,466	1,525,843	(60,156)	1,465,687
373,061	5,407,410	-	242,297	6,022,768	685,084	(63,930)	621,154
8,339,428	120,877,449	-	-	129,216,877	15,314,387	192,924	15,507,311
736,120	10,669,840	-	92,481	11,498,441	1,351,799	(24,401)	1,327,398
402,767	5,837,990	-	462,977	6,703,734	739,635	(122,158)	617,477
140,277	2,033,275	-	13,805	2,187,357	257,603	(3,643)	253,960
295,120	4,277,680	-	25,985	4,598,785	541,954	(6,856)	535,098
137,681	1,995,643	-	-	2,133,324	252,835	665	253,500
2,001,539	29,011,697	-	-	31,013,236	3,675,593	430,099	4,105,692
803,267	11,643,102	-	205,158	12,651,527	1,475,105	(54,131)	1,420,974
171,787	2,489,999	-	52,457	2,714,243	315,467	(13,841)	301,626
1,352,105	19,598,344	-	221,410	21,171,859	2,482,983	(58,420)	2,424,563
15,523	224,995	-	-	240,518	28,505	18	28,523
174,684	2,531,988	-	-	2,706,672	320,786	45,993	366,779
349,559	5,066,748	-	206,464	5,622,771	641,924	(54,476)	587,448
78,706	1,140,820	-	-	1,219,526	144,535	5,919	150,454
869,156	12,598,143	-	-	13,467,299	1,596,103	38,161	1,634,264
94,557	1,370,569	-	-	1,465,126	173,642	16,455	190,097
2,059,886	29,857,409	-	1,321,825	33,239,120	3,782,740	(348,766)	3,433,974
53,017	768,469	-	-	821,486	97,360	5,714	103,074
5,766	83,581	-	4,292	93,639	10,589	(1,132)	9,457
211,550	3,066,351	-	15,103	3,293,004	388,487	(3,985)	384,502
576,112	8,350,568	-	-	8,926,680	1,057,963	29,523	1,087,486
393,066	5,697,368	-	-	6,090,434	721,819	741	722,560
193,158	2,799,763	-	-	2,992,921	354,712	47,658	402,370
3,421,337	49,591,226	-	3,199,624	56,212,187	6,282,886	(844,228)	5,438,658
330,648	4,792,634	-	-	5,123,282	607,196	52,745	659,941
61,571	892,454	-	-	954,025	113,068	37,369	150,437
152,438	2,209,547	-	-	2,361,985	279,935	32,583	312,518
979,289	14,194,500	-	521,488	15,695,277	1,798,351	(137,596)	1,660,755
337,316	4,889,287	-	-	5,226,603	619,441	40,903	660,344
861,531	12,487,626	-	83,009	13,432,166	1,582,101	(21,902)	1,560,199
6,313	91,503	-	40,545	138,361	11,593	(10,698)	895
-	-	-	475,555	475,555	-	(125,476)	(125,476)
295,831	4,287,980	-	-	4,583,811	543,259	12,477	555,736
1,153,099	16,713,811	-	475,732	18,342,642	2,117,531	(125,523)	1,992,008
465,842	6,752,231	-	257,139	7,475,212	855,464	(67,847)	787,617
271,372	3,933,454	-	123,699	4,328,525	498,343	(32,638)	465,705
403,396	5,847,101	-	112,302	6,362,799	740,790	(29,631)	711,159
55,422	803,328	-	25,118	883,868	101,776	(6,627)	95,149
701,659	10,170,335	-	551,861	11,423,855	1,288,515	(145,610)	1,142,905
102,537	1,486,235	-	-	1,588,772	188,296	5,247	193,543

Teachers' and State Employees' Retirement System
Schedule of Pension Amounts by Employer
June 30, 2014

Deferred Outflows of Resources							
Employer Number	Employer	Net Pension Liability	Differences Between Expected and Actual Experience	Net Difference	Changes of Assumptions	Changes in	Total Deferred Outflows of Resources
				Between Projected and Actual Investment Earnings on Plan Investments		Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	
36000	Charlotte-Mecklenburg County Schools	66,800,328	-	-	-	-	-
36001	Community Charter School	61,669	-	-	-	-	-
36002	Kennedy Charter	242,457	-	-	-	129,778	129,778
36003	Community School of Davidson	508,596	-	-	-	15,027	15,027
36004	Corvian Community School	101,180	-	-	-	416,073	416,073
36005	Central Piedmont Community College	5,441,323	-	-	-	1,230,805	1,230,805
36006	Lake Norman Charter School	624,783	-	-	-	63,317	63,317
36007	Socrates Academy	212,325	-	-	-	40,557	40,557
36008	Pine Lake Prep Charter	602,155	-	-	-	61,454	61,454
36009	Charlotte Secondary Charter	118,649	-	-	-	79,448	79,448
36100	Mitchell County Schools	927,385	-	-	-	-	-
36102	KIPP Charlotte Charter	194,036	-	-	-	-	-
36105	Mayland Technical College	492,534	-	-	-	-	-
36200	Montgomery County Schools	1,875,170	-	-	-	-	-
36205	Montgomery Community College	298,498	-	-	-	41,636	41,636
36300	Moore County Schools	5,681,083	-	-	-	-	-
36301	Academy of Moore County	58,269	-	-	-	11,172	11,172
36302	Stars Charter School	123,456	-	-	-	38,870	38,870
36305	Sandhills Community College	1,132,676	-	-	-	-	-
36400	Nash-Rocky Mount Schools	6,478,212	-	-	-	-	-
36405	Nash Technical College	1,048,848	-	-	-	330,673	330,673
36500	New Hanover County Schools	12,015,205	-	-	-	1,189,430	1,189,430
36501	Cape Fear Center for Inquiry	129,435	-	-	-	5,293	5,293
36502	Wilmington Preparatory Academy	53,111	-	-	-	24,864	24,864
36505	Cape Fear Community College	2,524,222	-	-	-	492,818	492,818
36600	Northampton County Schools	1,029,151	-	-	-	-	-
36601	Gaston College Preparatory Charter	358,761	-	-	-	99,364	99,364
36700	Onslow County Schools	10,575,472	-	-	-	644,967	644,967
36701	ZECA School of the Arts and Technology	25,676	-	-	-	105,565	105,565
36705	Coastal Carolina Community College	1,193,407	-	-	-	-	-
36800	Orange County Schools	3,845,424	-	-	-	-	-
36801	PACE Academy	72,925	-	-	-	-	-
36802	Orange Charter School	101,766	-	-	-	-	-
36810	Chapel Hill - Carboro City Schools	7,373,238	-	-	-	37,797	37,797
36900	Pamlico County Schools	745,543	-	-	-	14,591	14,591
36901	Arapahoe Charter School	215,725	-	-	-	-	-
36905	Pamlico Community College	244,802	-	-	-	40,270	40,270
37000	Elizabeth City and Pasquotank County Schools	2,491,746	-	-	-	-	-
37005	College of the Albemarle	641,900	-	-	-	28,222	28,222
37100	Pender County Schools	3,443,635	-	-	-	-	-
37200	Perquimans County Schools	843,322	-	-	-	-	-
37300	Person County Schools	2,203,214	-	-	-	-	-
37301	Roxboro Community School	198,022	-	-	-	28,680	28,680
37305	Piedmont Community College	836,640	-	-	-	-	-
37400	Pitt County Schools	10,587,079	-	-	-	-	-
37405	Pitt Community College	2,210,014	-	-	-	256,551	256,551
37500	Polk County Schools	1,205,483	-	-	-	171,102	171,102
37600	Randolph County Schools	7,720,392	-	-	-	-	-
37601	Uwharrie Charter Academy	49,359	-	-	-	197,831	197,831
37605	Randolph Community College	872,750	-	-	-	-	-
37610	Asheboro City Schools	2,440,043	-	-	-	22,046	22,046
37700	Richmond County Schools	3,178,433	-	-	-	-	-
37705	Richmond Technical College	916,247	-	-	-	346,726	346,726
37800	Robeson County Schools	9,784,674	-	-	-	492,662	492,662
37801	Southeastern Academy Charter School	36,462	-	-	-	152,430	152,430
37805	Robeson Community College	962,558	-	-	-	167,845	167,845
37900	Rockingham County Schools	5,810,870	-	-	-	186,788	186,788
37901	Bethany Community Middle School	73,042	-	-	-	885	885
37905	Rockingham Community College	645,183	-	-	-	4,636	4,636
38000	Rowan-Salisbury School System	8,483,052	-	-	-	-	-
38005	Rowan-Cabarrus Community College	1,675,976	-	-	-	227,127	227,127

Deferred Inflows of Resources					Pension Expense		
Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
15,570,795	225,693,890	-	3,453,670	244,718,355	28,593,948	(911,259)	27,682,689
14,375	208,358	-	44,002	266,735	26,398	(11,610)	14,788
56,515	819,172	-	-	875,687	103,784	34,242	138,026
118,551	1,718,361	-	-	1,836,912	217,705	3,965	221,670
23,584	341,850	-	-	365,434	43,310	109,782	153,092
1,268,343	18,384,242	-	-	19,652,585	2,329,164	324,751	2,653,915
145,634	2,110,914	-	-	2,256,548	267,439	16,706	284,145
49,492	717,370	-	-	766,862	90,886	10,701	101,587
140,359	2,034,463	-	-	2,174,822	257,753	16,215	273,968
27,656	400,872	-	-	428,528	50,788	20,962	71,750
216,168	3,133,295	-	160,342	3,509,805	396,968	(42,307)	354,661
45,229	655,576	-	34,241	735,046	83,057	(9,035)	74,022
114,807	1,664,093	-	54,174	1,833,074	210,830	(14,294)	196,536
437,092	6,335,514	-	66,848	6,839,454	802,668	(17,638)	785,030
69,578	1,008,517	-	-	1,078,095	127,773	10,986	138,759
1,324,230	19,194,303	-	238,265	20,756,798	2,431,793	(62,867)	2,368,926
13,582	196,871	-	-	210,453	24,942	2,948	27,890
28,777	417,112	-	-	445,889	52,845	10,256	63,101
264,021	3,826,898	-	123,226	4,214,145	484,843	(32,513)	452,330
1,510,036	21,887,511	-	2,375,974	25,773,521	2,773,005	(626,906)	2,146,099
244,481	3,543,673	-	-	3,788,154	448,960	87,249	536,209
2,800,679	40,594,985	-	-	43,395,664	5,143,121	313,834	5,456,955
30,171	437,314	-	-	467,485	55,405	1,396	56,801
12,380	179,442	-	-	191,822	22,734	6,561	29,295
588,383	8,528,425	-	-	9,116,808	1,080,496	130,031	1,210,527
239,890	3,477,126	-	145,886	3,862,902	440,529	(38,492)	402,037
83,625	1,212,122	-	-	1,295,747	153,568	26,217	179,785
2,465,085	35,730,654	-	-	38,195,739	4,526,841	170,176	4,697,017
5,985	86,750	-	-	92,735	10,991	27,853	38,844
278,177	4,032,087	-	119,495	4,429,759	510,839	(31,529)	479,310
896,347	12,992,281	-	146,535	14,035,163	1,646,037	(38,664)	1,607,373
16,998	246,386	-	12,362	275,746	31,215	(3,262)	27,953
23,721	343,831	-	51,808	419,360	43,561	(13,670)	29,891
1,718,662	24,911,477	-	-	26,630,139	3,156,122	9,973	3,166,095
173,782	2,518,916	-	-	2,692,698	319,130	3,850	322,980
50,284	728,857	-	1,874	781,015	92,342	(495)	91,847
57,062	827,095	-	-	884,157	104,788	10,625	115,413
580,813	8,418,700	-	375,483	9,374,996	1,066,595	(99,072)	967,523
149,624	2,168,747	-	-	2,318,371	274,766	7,447	282,213
802,693	11,634,784	-	714,002	13,151,479	1,474,051	(188,391)	1,285,660
196,574	2,849,278	-	104,540	3,150,392	360,985	(27,583)	333,402
513,557	7,443,853	-	495,753	8,453,163	943,088	(130,806)	812,282
46,158	669,044	-	-	715,202	84,763	7,567	92,330
195,016	2,826,699	-	87,330	3,109,045	358,124	(23,042)	335,082
2,467,791	35,769,870	-	685,836	38,923,497	4,531,810	(180,959)	4,350,851
515,142	7,466,828	-	-	7,981,970	945,999	67,692	1,013,691
280,992	4,072,887	-	-	4,353,879	516,008	45,146	561,154
1,799,582	26,084,383	-	216,859	28,100,824	3,304,722	(57,219)	3,247,503
11,505	166,766	-	-	178,271	21,128	52,198	73,326
203,433	2,948,704	-	6,261	3,158,398	373,582	(1,652)	371,930
568,761	8,244,012	-	-	8,812,773	1,044,463	5,817	1,050,280
740,876	10,738,764	-	289,383	11,769,023	1,360,532	(76,354)	1,284,178
213,572	3,095,664	-	-	3,309,236	392,200	91,485	483,685
2,280,755	33,058,837	-	-	35,339,592	4,188,340	129,990	4,318,330
8,499	123,193	-	-	131,692	15,608	40,219	55,827
224,367	3,252,130	-	-	3,476,497	412,024	44,286	456,310
1,354,482	19,632,806	-	-	20,987,288	2,487,349	49,284	2,536,633
17,026	246,782	-	-	263,808	31,266	233	31,499
150,389	2,179,838	-	-	2,330,227	276,171	1,223	277,394
1,977,354	28,661,132	-	2,147,869	32,786,355	3,631,179	(566,720)	3,064,459
390,661	5,662,510	-	-	6,053,171	717,403	59,928	777,331

Teachers' and State Employees' Retirement System
Schedule of Pension Amounts by Employer
June 30, 2014

Deferred Outflows of Resources							
Employer Number	Employer	Net Pension Liability	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
38100	Rutherford County Schools	3,924,679	-	-	-	-	-
38105	Isothermal Community College	823,509	-	-	-	-	-
38200	Sampson County Schools	3,842,375	-	-	-	106,395	106,395
38205	Sampson Community College	576,597	-	-	-	-	-
38210	Clinton City Schools	1,369,036	-	-	-	93,700	93,700
38300	Scotland County Schools	2,968,687	-	-	-	-	-
38400	Stanly County Schools	3,729,823	-	-	-	-	-
38402	Gray Stone Day School	127,794	-	-	-	43,259	43,259
38405	Stanly Community College	910,033	-	-	-	-	-
38500	Stokes County Schools	3,076,784	-	-	-	-	-
38600	Surry County Schools	3,640,953	-	-	-	-	-
38601	Bridges Charter Schools	40,214	-	-	-	19,335	19,335
38602	Millennium Charter Academy	175,511	-	-	-	3,754	3,754
38605	Surry Community College	1,006,875	-	-	-	79,452	79,452
38610	Mount Airy City Schools	757,149	-	-	-	77,505	77,505
38620	Elkin City Schools	587,852	-	-	-	24,025	24,025
38700	Swain County Schools	993,627	-	-	-	83,676	83,676
38701	Mountain Discovery Charter	75,738	-	-	-	-	-
38800	Transylvania County Schools	1,773,287	-	-	-	-	-
38801	Brevard Academy Charter School	110,911	-	-	-	115,297	115,297
38900	Tyrrell County Schools	386,547	-	-	-	-	-
39000	Union County Schools	17,905,565	-	-	-	-	-
39100	Vance County Schools	2,985,453	-	-	-	-	-
39101	Vance Charter School	209,277	-	-	-	-	-
39105	Vance-Granville Community College	1,200,559	-	-	-	101,895	101,895
39200	Wake County Schools	70,058,955	-	-	-	757,275	757,275
39201	Endeavor Charter School	192,746	-	-	-	-	-
39204	Southern Wake Academy	86,173	-	-	-	88,416	88,416
39205	Wake Technical College	5,195,349	-	-	-	1,537,785	1,537,785
39208	East Wake Academy	452,437	-	-	-	-	-
39209	Casa Esperanza Montessori	187,587	-	-	-	-	-
39300	Warren County Schools	1,107,938	-	-	-	-	-
39301	Haliwa-Saponi Tribal Charter	83,945	-	-	-	70,252	70,252
39400	Washington County Schools	838,750	-	-	-	322,211	322,211
39401	Henderson Collegiate Charter School	130,256	-	-	-	125,097	125,097
39500	Watauga County Schools	2,309,083	-	-	-	82,917	82,917
39501	Two Rivers Community School	82,890	-	-	-	12,848	12,848
39600	Wayne County Schools	7,592,598	-	-	-	-	-
39605	Wayne Community College	1,094,103	-	-	-	156,726	156,726
39700	Wilkes County Schools	4,471,731	-	-	-	-	-
39703	Pinnacle Classical Academy	75,504	-	-	-	302,737	302,737
39705	Wilkes Community College	1,039,937	-	-	-	214,815	214,815
39800	Wilson County Schools	5,104,604	-	-	-	-	-
39805	Wilson Community College	575,893	-	-	-	-	-
39900	Yadkin County Schools	2,484,243	-	-	-	-	-
51000	Highway - Administrative	43,412,288	-	-	-	5,008,417	5,008,417
Total for All Employers		\$ 1,172,421,109	\$ -	\$ -	\$ -	\$ 57,864,283	\$ 57,864,283

The accompanying notes to the schedules are an integral part of this schedule.

Deferred Inflows of Resources					Pension Expense		
Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense
914,822	13,260,057	-	807,295	14,982,174	1,679,963	(213,007)	1,466,956
191,955	2,782,334	-	30,766	3,005,055	352,504	(8,118)	344,386
895,637	12,981,982	-	-	13,877,619	1,644,733	28,073	1,672,806
134,402	1,948,109	-	27,467	2,109,978	246,813	(7,247)	239,566
319,115	4,625,472	-	-	4,944,587	586,017	24,723	610,740
691,985	10,030,109	-	890,706	11,612,800	1,270,750	(235,015)	1,035,735
869,402	12,601,708	-	873,627	14,344,737	1,596,554	(230,508)	1,366,046
29,788	431,769	-	-	461,557	54,702	11,414	66,116
212,124	3,074,669	-	90,367	3,377,160	389,541	(23,844)	365,697
717,182	10,395,330	-	238,224	11,350,736	1,317,021	(62,856)	1,254,165
848,687	12,301,451	-	811,679	13,961,817	1,558,514	(214,163)	1,344,351
9,374	135,869	-	-	145,243	17,214	5,102	22,316
40,911	592,989	-	-	633,900	75,128	991	76,119
234,697	3,401,863	-	-	3,636,560	430,994	20,964	451,958
176,487	2,558,131	-	-	2,734,618	324,099	20,450	344,549
137,025	1,986,137	-	-	2,123,162	251,631	6,339	257,970
231,609	3,357,102	-	-	3,588,711	425,323	22,078	447,401
17,654	255,892	-	43,674	317,220	32,420	(11,524)	20,896
413,344	5,991,288	-	48,080	6,452,712	759,057	(12,686)	746,371
25,853	374,728	-	-	400,581	47,476	30,421	77,897
90,102	1,306,002	-	103,198	1,499,302	165,462	(27,229)	138,233
4,173,691	60,496,360	-	1,980,301	66,650,352	7,664,495	(522,507)	7,141,988
695,893	10,086,754	-	262,006	11,044,653	1,277,926	(69,131)	1,208,795
48,781	707,071	-	13,131	768,983	89,581	(3,465)	86,116
279,844	4,056,250	-	-	4,336,094	513,901	26,885	540,786
16,330,364	236,703,599	-	-	253,033,963	29,988,807	199,809	30,188,616
44,928	651,218	-	20,776	716,922	82,505	(5,482)	77,023
20,086	291,147	-	-	311,233	36,886	23,329	60,215
1,211,008	17,553,186	-	-	18,764,194	2,223,874	405,748	2,629,622
105,461	1,528,620	-	165,964	1,800,045	193,666	(43,790)	149,876
43,726	633,789	-	68,278	745,793	80,297	(18,015)	62,282
258,254	3,743,317	-	65,851	4,067,422	474,254	(17,375)	456,879
19,567	283,621	-	-	303,188	35,933	18,536	54,469
195,508	2,833,830	-	-	3,029,338	359,028	85,016	444,044
30,362	440,087	-	-	470,449	55,756	33,007	88,763
538,235	7,801,548	-	-	8,339,783	988,405	21,878	1,010,283
19,321	280,056	-	-	299,377	35,481	3,390	38,871
1,769,794	25,652,615	-	1,319,981	28,742,390	3,250,019	(348,280)	2,901,739
255,030	3,696,575	-	-	3,951,605	468,332	41,352	509,684
1,042,336	15,108,344	-	365,736	16,516,416	1,914,129	(96,500)	1,817,629
17,600	255,100	-	-	272,700	32,320	79,878	112,198
242,404	3,513,568	-	-	3,755,972	445,146	56,679	501,825
1,189,856	17,246,590	-	1,007,680	19,444,126	2,185,031	(265,879)	1,919,152
134,238	1,945,733	-	75,425	2,155,396	246,512	(19,901)	226,611
579,064	8,393,349	-	471,290	9,443,703	1,063,383	(124,351)	939,032
10,119,170	146,674,251	-	-	156,793,421	18,582,674	1,321,482	19,904,156
<u>\$ 273,285,034</u>	<u>\$ 3,961,182,394</u>	<u>\$ -</u>	<u>\$ 57,863,892</u>	<u>\$ 4,292,331,320</u>	<u>\$ 501,856,048</u>	<u>\$ 103</u>	<u>\$ 501,856,151</u>



NOTES TO THE SCHEDULES

NOTE 1 - PLAN DESCRIPTION

- A. Plan Administration** - The State of North Carolina administers the Teachers' and State Employees' Retirement System (TSERS or Plan) plan. This Plan is a cost-sharing, multiple-employer, defined benefit plan established by the State to provide pension benefits for general employees and law enforcement officers (LEOs) of the State, general employees and LEOs of its component units, and employees of Local Education Agencies (LEAs) and charter schools not in the reporting entity. Membership is comprised of employees of the State (state agencies and institutions), universities, community colleges, and certain proprietary component units along with the LEAs and charter schools. Benefit provisions are established by *North Carolina General Statute* 135-5 and may be amended only by the North Carolina General Assembly. The number of employers receiving allocations that made contributions during fiscal year ended June 30, 2014, is 293.

Management of the Plan is vested in the TSERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and the State Superintendent, who serve as ex-officio members.

- B. Benefits Provided** - TSERS provides retirement and survivor benefits. Retirement benefits are determined as 1.82% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. General employee plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service (or 10 years of creditable service for members joining TSERS on or after August 1, 2011), at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (or 10 years of creditable service for members joining TSERS on or after August 1, 2011). Survivor benefits are available to eligible beneficiaries of general members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed five years of service and have reached age 60 (10 years for members joining on or after August 1, 2011). Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic postretirement benefit increases. Increases are contingent upon actuarial gains of the plan.

TSERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer (or 10 years of creditable service for members joining TSERS on

or after August 1, 2011), or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of creditable service as an LEO and have reached age 50, or have completed five years of creditable service as an LEO and have reached age 55, or have completed 15 years of creditable service as an LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

- C. **Contributions** - Benefits and administrative expenses are funded by member contributions of 6% of compensation, investment income, and by an actuarially determined employer contribution established by legislation. For the fiscal year ended June 30, 2014, the State and other participating employers made statutory contributions of 8.69% of covered payroll. This was equal to the actuarially determined contribution. Contribution provisions are established by *North Carolina General Statute* 135-8 and may be amended only by the North Carolina General Assembly.
- D. **Refunds of Contributions** - Members who have terminated service as a contributing member, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to the employer contributions or any other benefit provided by TSERS.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

- A. **Basis of Accounting** - Employers participating in TSERS are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014 in accordance with Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB Statement No. 68). The Schedules of Employer Allocations and the Schedule of Pension Amounts by Employer provide employers with the required information for financial reporting.

There are three schedules (two Schedules of Employer Allocations for the fiscal years ended June 30, 2013 and June 30, 2014 and a Schedule of Pension Amounts by Employer for the fiscal year ended June 30, 2014, collectively the "pension schedules") for use by the employers in the TSERS plan. The underlying financial information used to prepare the pension schedules is based on TSERS's financial statements. The financial statements of this Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are

recognized when due and the employer has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. TSERS financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) that apply to governmental accounting for fiduciary funds.

- B. Components of Net Pension Liability Calculation** - The components of the calculation of the net pension liability of the defined benefit cost-sharing plan for participating employers and the State of North Carolina as of June 30, 2014, calculated in accordance with GASB Statement No. 67, *Financial Reporting for Pension Plans*, are shown in the following table (dollars in thousands).

Total Pension Liability (A)	\$ 66,788,196
Plan Fiduciary Net Position (B)	<u>(65,615,775)</u>
Net Pension Liability (A-B)	<u>\$ 1,172,421</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (B/A)	98.24%

The total pension liability is calculated by TSERS's actuary. The Plan's fiduciary net position is reported in the State of North Carolina's *Comprehensive Annual Financial Report's* (CAFR) financial statements. In addition, the net pension liability is disclosed in the notes to the financial statements.

- C. Schedules of Employer Allocations** - The Schedules of Employer Allocations provides information used to allocate the net pension liability between each of the employers in the plan. While GASB Statement No. 68 allows the employer's proportionate share of the collective pension amounts to be based on historical employer contributions, it encourages the use of the employer's projected long-term contribution effort to the retirement plan. Because contributions to the plan are based on a percentage of salary, the plan's actuary has supplied a schedule of each employer's present value of future salary as the basis for allocating each employer's proportional share of liabilities. This present value of future salary is based on the plan's actuarial assumptions and reflects the current demographics of each employer, along with the employer's expected long-term contribution effort to the plan.

The first schedule of employer allocations for the fiscal year ended June 30, 2013 is to be used to allocate the beginning balance of the net pension liability. The second schedule of employer allocations for the fiscal year ended June 30, 2014 is to be used for the ending net pension liability. They will both be used to determine the change in the allocation from one year to the next.

- D. Schedule of Pension Amounts by Employer** - The Schedule of Pension Amounts by Employer provides the amount of net pension

liability as well as deferred inflows and outflows and pension expense to be reported in the financial statements of each employer participant in the plan. Amounts reported on the Schedule of Pension Amounts by Employer may not precisely agree with the percentages in the Schedules of Employer Allocations due to the number of decimal places used in allocating the collective pension amounts.

The Proportional Share of Pension Expense includes the amortization of the difference between expected and actual experience with regard to economic and demographic factors as well as any changes of assumptions, if applicable, which are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. This period is 4.79 years. The remaining unamortized balance is included in either deferred outflow of resources or in deferred inflow of resources as indicated.

NOTE 3 - ACTUARIAL METHODS AND ASSUMPTIONS

The total pension liability was determined by an actuarial valuation performed as of December 31, 2013. The total pension liability was calculated through the use of update procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2014. The update procedures incorporated the actuarial assumptions used in the valuation. The entry age normal actuarial cost method was utilized. Inflation is assumed to be 3% and salary increases range 4.25% to 9.10% which includes 3.5% inflation and productivity factor. The long-term expected rate of return on pension plan investments used in the determination of the total pension liability is 7.25% and is net of pension plan investment expense, including inflation.

TSERS currently uses mortality tables that vary by age, gender, employee group (i.e. teacher, general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2013 valuations were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

NOTE 4 - ADDITIONAL FINANCIAL AND ACTUARIAL INFORMATION

These financial schedules are designed to provide employers information for implementation of GASB Statement No. 68. Additional financial information for TSERS (including the disclosure of the net pension liability) is located in the State of North Carolina's *Comprehensive Annual Financial Report* for the fiscal year ended June 30, 2014. The additional financial and actuarial

information is available at http://www.osc.nc.gov/financial/14_cafr/index.html
or by contacting TSERS at:

TSERS
3200 Atlantic Avenue
Raleigh, North Carolina 27604,
<https://www.nctreasurer.com/ret/Pages/Valuation-Reports.aspx>.

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**INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Honorable Janet Cowell, State Treasurer
and Management of the Department of State Treasurer

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the accompanying Schedule of Employer Allocations of the Teachers' and State Employee's Retirement System as of and for the years ended June 30, 2014 and June 30, 2013, and the related notes and the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and the total pension expense included in the accompanying Schedule of Pension Amounts by Employer as of and for the year ended June 30, 2014, and the related notes (hereafter referred to as "the Schedules") and have issued our report thereon dated June 16, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the Schedules, we considered the entity's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Schedules, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's Schedules will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the entity's Schedules are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the amounts in the Schedules. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Beth A. Wood, CPA
State Auditor

Raleigh, North Carolina

June 16, 2015

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