

STATE OF NORTH CAROLINA

OFFICE OF THE STATE AUDITOR

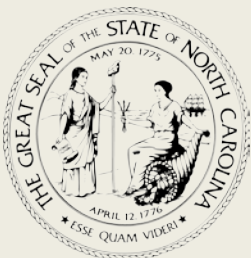
BETH A. WOOD, CPA



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, 2015



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 and the Schedule of Pension Amounts by Employer for the year ended June 30, 2015, 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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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 Employees' Retirement System as of and for the year ended June 30, 2015, 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 Employees' Retirement System as of and for the year ended June 30, 2015, 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 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 Employees' Retirement System as of and for the year ended June 30, 2015, 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, 2015, and our report thereon, dated December 3, 2015, 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 April 14, 2016 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 Employees' Retirement System Management, the Teachers' and State Employees' Retirement System employers, 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

April 14, 2016



SCHEDULES

SCHEDULE 1

SCHEDULE OF EMPLOYER ALLOCATIONS

***Teachers and State Employees' Retirement System
Schedule of Employer Allocations
June 30, 2015***

Schedule 1

Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
10200	North Carolina Education Lottery	\$ 128,274,391	0.11215%
10400	Department Of Justice	368,586,786	0.32227%
10500	State Auditor	83,394,576	0.07291%
10700	Department Of Cultural Resources	212,048,928	0.18540%
10800	Administrative Office Of The Courts	2,228,024,115	1.94804%
10850	Office Of Administrative Hearing	14,189,479	0.01241%
10900	Department Of Administration	220,479,560	0.19277%
10910	Office Of State Budget & Management	38,684,391	0.03382%
10930	Information Technology Services	300,048,782	0.26234%
10940	Office Of State Controller	82,663,049	0.07228%
10950	N.C. School Of Science & Mathematics	77,178,893	0.06748%
11300	Environment And Natural Resources	929,686,558	0.81286%
11310	N.C. Housing Finance Agency	59,059,985	0.05164%
11600	Wildlife Resources Commission	247,791,854	0.21665%
11900	State Board Of Elections	28,300,695	0.02474%
12100	Governor's Office	30,622,579	0.02677%
12150	Lt. Governor's Office	4,917,843	0.00430%
12160	General Assembly	209,053,938	0.18278%
12220	Health & Human Services	5,637,772,265	4.92929%
12510	Department Of Commerce	652,491,866	0.57050%
12600	Insurance Department	174,494,125	0.15257%
12700	Labor Department	134,480,578	0.11758%
13500	Revenue Department	484,759,179	0.42384%
13700	Secretary Of State	61,043,051	0.05337%
14300	State Treasurer	179,114,924	0.15661%
18400	Department Of Agriculture	653,101,029	0.57103%
18600	Barber Examiners, State Board Of	2,128,729	0.00186%
18690	N.C. Real Estate Commission	992,952	0.00087%
18740	N.C. Auctioneers Licensing Board	723,264	0.00063%
18780	N.C. State Board Of Examiners Of Practicing Psychol	1,514,603	0.00132%
19005	Community Colleges Administration	92,097,480	0.08052%
19100	Department Of Public Safety	8,037,411,874	7.02737%
20100	Appalachian State University	662,461,388	0.57921%
20200	N.C. School Of The Arts	91,593,337	0.08008%
20300	East Carolina University	1,539,093,638	1.34568%
20400	Elizabeth City State University	134,411,359	0.11752%
20600	Fayetteville State University	227,954,666	0.19931%
20700	N.C. A&T University	456,631,473	0.39925%
20800	N.C. Central University	415,295,739	0.36311%
20900	University Of North Carolina At Greensboro	569,583,817	0.49801%
21200	UNC - Pembroke	189,394,798	0.16559%
21300	N.C. State University	2,446,896,617	2.13940%
21520	UNC-CH CB 1260	3,571,031,726	3.12227%
21525	UNC-General Administration	150,561,730	0.13164%
21550	UNC Health Care System	4,085,677,718	3.57224%
21570	University Of North Carolina Press	19,462,933	0.01702%
21800	Western Carolina University	342,692,469	0.29963%
21900	Winston-Salem State University	274,386,395	0.23991%
22000	Department Of Public Instruction	472,828,837	0.41341%
23000	University Of North Carolina At Asheville	135,123,227	0.11814%
23100	University Of North Carolina At Charlotte	766,799,661	0.67044%
23200	University Of North Carolina At Wilmington	408,576,774	0.35723%
30000	Yancey County Schools	116,074,708	0.10149%
30100	Alamance County Schools	981,026,398	0.85774%

***Teachers and State Employees' Retirement System
Schedule of Employer Allocations
June 30, 2015***

Schedule 1

Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
30102	Clover Garden Charter School	16,097,004	0.01407%
30103	River Mill Academy Charter	21,457,450	0.01876%
30104	The Hawbridge School	9,918,125	0.00867%
30105	Alamance Community College	93,608,175	0.08184%
30200	Alexander County Schools	230,783,926	0.20178%
30300	Alleghany County Schools	77,024,316	0.06734%
30400	Anson County Schools	151,119,843	0.13213%
30405	South Piedmont Community College	92,516,655	0.08089%
30500	Ashe County Schools	151,325,074	0.13231%
30600	Avery County Schools	117,204,650	0.10248%
30601	Grandfather Academy	2,865,127	0.00251%
30700	Beaufort County Schools	300,383,258	0.26264%
30705	Beaufort County Community College	56,827,551	0.04969%
30800	Bertie County Schools	128,641,867	0.11248%
30900	Bladen County Schools	201,989,698	0.17661%
30905	Bladen Community College	42,909,110	0.03752%
31000	Brunswick County Schools	553,697,570	0.48412%
31005	Brunswick Community College	53,248,481	0.04656%
31100	Buncombe County Schools	1,136,942,358	0.99407%
31101	F. Delany New School For Children	7,840,580	0.00686%
31102	Evergreen Community Charter School	17,828,034	0.01559%
31105	Asheville-Buncombe Technical College	186,841,044	0.16336%
31110	Asheville City Schools	268,337,796	0.23462%
31200	Burke County Schools	555,836,998	0.48599%
31205	Western Piedmont Community College	71,315,318	0.06235%
31300	Cabarrus County Schools	1,283,983,848	1.12263%
31301	Carolina International School	22,151,408	0.01937%
31320	Kannapolis City Schools	252,701,615	0.22095%
31400	Caldwell County Schools	541,470,778	0.47343%
31405	Caldwell Community College	112,152,777	0.09806%
31500	Camden County Schools	85,031,086	0.07435%
31600	Carteret County Schools	372,930,954	0.32607%
31605	Carteret Community College	54,248,279	0.04743%
31700	Caswell County Schools	112,811,634	0.09863%
31800	Catawba County Schools	715,812,672	0.62586%
31805	Catawba Valley Community College	133,155,019	0.11642%
31810	Hickory City Schools	170,112,307	0.14873%
31820	Newton-Conover City Schools	148,017,425	0.12942%
31900	Chatham County Schools	408,862,127	0.35748%
32000	Cherokee County Schools	156,178,726	0.13655%
32005	Tri-County Community College	39,113,450	0.03420%
32100	Edenton-Chowan County Schools	106,486,552	0.09310%
32200	Clay County Schools	62,268,190	0.05444%
32300	Cleveland County Schools	721,879,296	0.63116%
32305	Cleveland Technical College	73,107,565	0.06392%
32400	Columbus County Schools	258,548,202	0.22606%
32405	Southeastern Community College	65,949,288	0.05766%
32410	Whiteville City Schools	102,754,328	0.08984%
32420	SEGS Academy	3,080,093	0.00269%
32500	New Bern/Craven County Board Of Education	581,744,271	0.50864%
32505	Craven Community College	85,657,879	0.07489%
32600	Cumberland County Schools	2,128,349,466	1.86089%
32605	Fayetteville Technical Community College	288,010,470	0.25182%
32700	Currituck County Schools	174,975,050	0.15299%

***Teachers and State Employees' Retirement System
Schedule of Employer Allocations
June 30, 2015***

Schedule 1

Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
32800	Dare County Schools	240,282,966	0.21009%
32900	Davidson County Schools	753,124,042	0.65848%
32901	Invest Collegiate Charter School	19,526,207	0.01707%
32905	Davidson County Community College	107,888,702	0.09433%
32910	Lexington City Schools	142,341,021	0.12445%
32920	Thomasville City Schools	118,289,620	0.10342%
33000	Davie County Schools	292,412,290	0.25567%
33001	N.E. Regional School For Biotechnology	6,904,947	0.00604%
33027	Cornerstone Academy	22,160,174	0.01938%
33100	Duplin County Schools	412,311,514	0.36050%
33105	James Sprunt Technical College	48,959,603	0.04281%
33200	Durham Public Schools	1,762,397,953	1.54092%
33202	Central Park School For Children	18,047,745	0.01578%
33203	Healthy Start Academy	15,654,546	0.01369%
33204	Voyager Academy	47,519,091	0.04155%
33205	Durham Technical Institute	140,957,425	0.12324%
33206	Bear Grass Charter School	11,797,658	0.01032%
33207	Invest Collegiate Charter (Buncombe)	11,662,212	0.01020%
33208	Kipp Halifax College Prep Charter	3,692,990	0.00323%
33209	Pioneer Springs Community Charter	6,514,422	0.00570%
33300	Edgecombe County Schools	260,851,871	0.22807%
33305	Edgecombe Technical College	71,257,001	0.06230%
33400	Winston-Salem-Forsyth County Schools	2,313,607,049	2.02286%
33402	Arts Based Elementary Charter	16,682,962	0.01459%
33405	Forsyth Technical Institute	229,947,779	0.20105%
33500	Franklin County Schools	377,735,239	0.33027%
33501	A Childs Garden Charter (AKA Cross Creek Charter)	7,848,276	0.00686%
33600	Gaston County Schools	1,207,925,369	1.05613%
33605	Gaston College	171,523,557	0.14997%
33700	Gates County Schools	93,599,148	0.08184%
33800	Graham County Schools	65,805,214	0.05754%
33900	Granville County Schools And Oxford Orphanage	339,416,367	0.29676%
34000	Greene County Schools	153,059,823	0.13383%
34100	Guilford County Schools	3,481,557,446	3.04404%
34105	Guilford Technical Community College	305,192,923	0.26684%
34200	Halifax County Schools	155,209,659	0.13571%
34205	Halifax Community College	55,723,854	0.04872%
34220	Roanoke Rapids City Schools	121,683,914	0.10639%
34230	Weldon City Schools	56,978,234	0.04982%
34300	Harnett County Schools	807,323,736	0.70587%
34400	Haywood County Schools	341,883,171	0.29892%
34405	Haywood Technical College	72,619,541	0.06349%
34500	Henderson County Schools	572,214,129	0.50031%
34501	Mountain Community School	7,140,602	0.00624%
34505	Blue Ridge Community College	70,270,412	0.06144%
34600	Hertford County Schools	142,238,192	0.12436%
34605	Roanoke-Chowan Community College	31,320,296	0.02738%
34700	Hoke County Schools	379,959,936	0.33221%
34800	Hyde County Schools	37,080,172	0.03242%
34900	Iredell County Schools	865,388,825	0.75664%
34901	American Renaissance Middle School	20,705,972	0.01810%
34903	Success Institute	2,309,822	0.00202%
34905	Mitchell Community College	89,307,069	0.07808%
34910	Mooresville City Schools	252,628,617	0.22088%

***Teachers and State Employees' Retirement System
Schedule of Employer Allocations
June 30, 2015***

Schedule 1

Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
35000	Jackson County Schools	172,299,049	0.15065%
35005	Southwestern Community College	82,355,883	0.07201%
35100	Johnston County Schools	1,484,408,068	1.29787%
35105	Johnston Technical College	137,633,248	0.12034%
35106	Neuse Charter School	30,222,788	0.02642%
35200	Jones County Schools	64,247,696	0.05617%
35300	Sanford-Lee County Board Of Education	422,163,507	0.36911%
35305	Central Carolina Community College	152,624,320	0.13344%
35400	Lenoir County Schools	361,617,678	0.31617%
35401	Childrens Village Academy	3,761,565	0.00329%
35405	Lenoir County Community College	121,077,412	0.10586%
35500	Lincoln County Schools	497,965,808	0.43539%
35600	Macon County Schools	193,649,574	0.16931%
35700	Madison County Schools	115,870,968	0.10131%
35800	Martin County Schools	165,944,833	0.14509%
35805	Martin Community College	20,542,656	0.01796%
35900	Mcdowell County Schools	295,444,035	0.25832%
35905	Mcdowell Technical College	41,902,074	0.03664%
36000	Charlotte-Mecklenburg County Schools	6,494,916,491	5.67872%
36001	Community Charter School	3,952,907	0.00346%
36002	Kennedy Charter	23,097,322	0.02019%
36003	Community School Of Davidson	50,866,454	0.04447%
36004	Corvian Community School	19,003,514	0.01662%
36005	Central Piedmont Community College	555,541,804	0.48573%
36006	Lake Norman Charter School	61,974,767	0.05419%
36007	Socrates Academy	21,454,804	0.01876%
36008	Pine Lake Prep Charter	62,557,497	0.05470%
36009	Charlotte Secondary Charter	17,735,651	0.01551%
36100	Mitchell County Schools	89,751,582	0.07847%
36102	Kipp Charlotte Charter	13,837,346	0.01210%
36105	Mayland Technical College	46,790,573	0.04091%
36200	Montgomery County Schools	181,495,056	0.15869%
36205	Montgomery Community College	29,864,569	0.02611%
36300	Moore County Schools	557,068,002	0.48706%
36301	Academy Of Moore County	5,799,943	0.00507%
36302	Stars Charter School	14,495,909	0.01267%
36305	Sandhills Community College	111,281,340	0.09730%
36400	Nash-Rocky Mount Schools	622,278,590	0.54408%
36405	Nash Technical College	103,122,267	0.09016%
36500	New Hanover County Schools	1,198,005,640	1.04746%
36501	Cape Fear Center For Inquiry	13,578,025	0.01187%
36502	Wilmington Preparatory Academy	5,001,007	0.00437%
36505	Cape Fear Community College	238,402,248	0.20844%
36600	Northampton County Schools	95,298,737	0.08332%
36601	Gaston College Preparatory Charter	41,237,158	0.03606%
36700	Onslow County Schools	1,078,742,613	0.94318%
36701	Zeca School Of The Arts And Technology	3,845,460	0.00336%
36705	Coastal Carolina Community College	117,654,175	0.10287%
36800	Orange County Schools	380,450,781	0.33264%
36801	Pace Academy	6,681,700	0.00584%
36802	Orange Charter School	9,627,411	0.00842%
36810	Chapel Hill - Carboro City Schools	742,635,886	0.64931%
36900	Pamlico County Schools	72,692,913	0.06356%
36901	Arapahoe Charter School	22,679,672	0.01983%

***Teachers and State Employees' Retirement System
Schedule of Employer Allocations
June 30, 2015***

Schedule 1

Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
36905	Pamlico Community College	22,725,110	0.01987%
37000	Elizabeth City And Pasquotank County Schools	248,157,858	0.21697%
37005	College Of The Albemarle	62,463,960	0.05461%
37100	Pender County Schools	353,515,726	0.30909%
37200	Perquimans County Schools	85,086,934	0.07439%
37300	Person County Schools	210,711,019	0.18423%
37301	Roxboro Community School	22,196,846	0.01941%
37305	Piedmont Community College	70,174,079	0.06136%
37400	Pitt County Schools	1,053,241,530	0.92088%
37405	Pitt Community College	226,271,716	0.19784%
37500	Polk County Schools	121,871,771	0.10656%
37600	Randolph County Schools	735,709,503	0.64326%
37601	Uwharrie Charter Academy	9,430,505	0.00825%
37605	Randolph Community College	84,536,149	0.07391%
37610	Asheboro City Schools	235,531,305	0.20593%
37700	Richmond County Schools	309,267,190	0.27040%
37705	Richmond Technical College	91,359,700	0.07988%
37800	Robeson County Schools	950,909,135	0.83141%
37801	Southeastern Academy Charter School	6,458,926	0.00565%
37805	Robeson Community College	85,389,176	0.07466%
37900	Rockingham County Schools	544,967,200	0.47648%
37901	Bethany Community Middle School	7,265,286	0.00635%
37905	Rockingham Community College	59,562,887	0.05208%
38000	Rowan-Salisbury School System	814,063,220	0.71176%
38005	Rowan-Cabarrus Community College	165,213,603	0.14445%
38100	Rutherford County Schools	378,868,774	0.33126%
38105	Isothermal Community College	78,409,245	0.06856%
38200	Sampson County Schools	376,466,429	0.32916%
38205	Sampson Community College	52,177,541	0.04562%
38210	Clinton City Schools	131,359,554	0.11485%
38300	Scotland County Schools	288,592,281	0.25233%
38400	Stanly County Schools	366,552,118	0.32049%
38402	Gray Stone Day School	12,419,797	0.01086%
38405	Stanly Community College	86,613,034	0.07573%
38500	Stokes County Schools	294,331,465	0.25734%
38600	Surry County Schools	358,410,908	0.31337%
38601	Bridges Charter Schools	4,620,888	0.00404%
38602	Millennium Charter Academy	19,639,233	0.01717%
38605	Surry Community College	96,476,573	0.08435%
38610	Mount Airy City Schools	73,213,907	0.06401%
38620	Elkin City Schools	60,292,754	0.05272%
38700	Swain County Schools	102,733,440	0.08982%
38701	Mountain Discovery Charter	6,876,197	0.00601%
38800	Transylvania County Schools	177,546,862	0.15524%
38801	Brevard Academy Charter School	10,094,366	0.00883%
38900	Tyrrell County Schools	38,035,851	0.03326%
39000	Union County Schools	1,799,122,514	1.57303%
39100	Vance County Schools	286,249,074	0.25028%
39101	Vance Charter School	20,014,831	0.01750%
39105	Vance-Granville Community College	118,655,243	0.10374%
39200	Wake County Schools	7,045,570,845	6.16018%
39201	Endeavor Charter School	21,714,131	0.01899%
39204	Southern Wake Academy	13,343,102	0.01167%
39205	Wake Technical College	559,133,002	0.48887%

Teachers and State Employees' Retirement System
Schedule of Employer Allocations
June 30, 2015

Schedule 1

Employer Number	Employer	Present Value of Future Salary	Present Value of Future Salary Allocation
39208	East Wake Academy	44,904,455	0.03926%
39209	Casa Esperanza Montessori	20,362,024	0.01780%
39300	Warren County Schools	108,861,122	0.09518%
39301	Haliwa-Saponi Tribal Charter	7,380,653	0.00645%
39400	Washington County Schools	78,352,518	0.06851%
39401	Henderson Collegiate Charter School	19,163,447	0.01676%
39500	Watauga County Schools	223,687,955	0.19558%
39501	Two Rivers Community School	7,685,476	0.00672%
39600	Wayne County Schools	741,746,499	0.64853%
39605	Wayne Community College	109,251,896	0.09552%
39700	Wilkes County Schools	451,667,226	0.39491%
39703	Pinnacle Classical Academy	9,917,620	0.00867%
39705	Wilkes Community College	104,557,191	0.09142%
39800	Wilson County Schools	500,166,789	0.43731%
39805	Wilson Community College	55,965,273	0.04893%
39900	Yadkin County Schools	246,645,688	0.21565%
51000	Highway - Administrative	4,110,518,545	3.59396%
Total		<u>\$ 114,372,837,443</u>	<u>100.00000%</u>

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

SCHEDULE 2

SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Teachers and State Employees' Retirement System
Schedule of Pension Amounts by Employer
June 30, 2015

		Deferred Outflows Of Resources				
Employer Number	Employer	Net Pension Liability	Differences Between Expected And Actual Experience	Changes Of Assumptions	Changes In Proportion And Differences Between Employer Contributions And Proportional Share Of Contributions	Total Deferred Outflows Of Resources
10200	North Carolina Education Lottery	\$ 4,132,950	\$ -	\$ -	\$ 136,810	\$ 136,810
10400	Department Of Justice	11,876,288	-	-	-	-
10500	State Auditor	2,686,878	-	-	11,039	11,039
10700	Department Of Cultural Resources	6,832,357	-	-	240,329	240,329
10800	Administrative Office Of The Courts	71,789,131	-	-	192,345	192,345
10850	Office Of Administrative Hearing	457,333	-	-	211,587	211,587
10900	Department Of Administration	7,103,956	-	-	1,426,419	1,426,419
10910	Office Of State Budget & Management	1,246,334	-	-	197,047	197,047
10930	Information Technology Services	9,667,748	-	-	1,273,472	1,273,472
10940	Office Of State Controller	2,663,661	-	-	-	-
10950	N.C. School Of Science & Mathematics	2,486,772	-	-	260,459	260,459
11300	Environment And Natural Resources	29,955,500	-	-	-	-
11310	N.C. Housing Finance Agency	1,903,036	-	-	66,309	66,309
11600	Wildlife Resources Commission	7,983,981	-	-	153,619	153,619
11900	State Board Of Elections	911,718	-	-	96,857	96,857
12100	Governor's Office	986,528	-	-	285,140	285,140
12150	Lt. Governor's Office	158,464	-	-	39,777	39,777
12160	General Assembly	6,735,805	-	-	796,022	796,022
12220	Health & Human Services	181,654,096	-	-	5,945,813	5,945,813
12510	Department Of Commerce	21,024,055	-	-	251,511	251,511
12600	Insurance Department	5,622,507	-	-	49,577	49,577
12700	Labor Department	4,333,056	-	-	-	-
13500	Revenue Department	15,619,343	-	-	386,867	386,867
13700	Secretary Of State	1,966,790	-	-	28,274	28,274
14200	N.C. Cemetery Commission	-	-	-	-	-
14300	State Treasurer	5,771,389	-	-	98,252	98,252
18400	Department Of Agriculture	21,043,586	-	-	995,510	995,510
18600	Barber Examiners, State Board Of	68,545	-	-	4,466	4,466
18640	North Carolina Board Of Opticians	-	-	-	-	-
18670	State Board Of Examiners For Electrical Contractor	-	-	-	-	-
18690	N.C. Real Estate Commission	32,061	-	-	17,368	17,368
18740	N.C. Auctioneers Licensing Board	23,217	-	-	429	429
18780	N.C. State Board Of Examiners Of Practicing Psychologists	48,645	-	-	15,638	15,638
19005	Community Colleges Administration	2,967,321	-	-	175,903	175,903
19100	Department Of Public Safety	258,972,499	-	-	4,071,143	4,071,143
20100	Appalachian State University	21,345,035	-	-	1,317,075	1,317,075
20200	N.C. School Of The Arts	2,951,107	-	-	152,058	152,058
20300	East Carolina University	49,590,972	-	-	2,040,187	2,040,187
20400	Elizabeth City State University	4,330,845	-	-	-	-
20600	Fayetteville State University	7,344,968	-	-	8,891	8,891
20700	N.C. A&T University	14,713,153	-	-	203,579	203,579
20800	N.C. Central University	13,381,322	-	-	143,218	143,218
20900	University Of North Carolina At Greensboro	18,352,655	-	-	-	-
21200	UNC - Pembroke	6,102,319	-	-	115,670	115,670
21300	N.C. State University	78,841,126	-	-	2,722,767	2,722,767
21520	UNC-CH CB 1260	115,061,832	-	-	2,044,288	2,044,288
21525	UNC-General Administration	4,851,195	-	-	136,990	136,990
21550	UNC Health Care System	131,644,117	-	-	7,216,850	7,216,850
21570	University Of North Carolina Press	627,221	-	-	-	-
21800	Western Carolina University	11,041,959	-	-	1,003,057	1,003,057
21900	Winston-Salem State University	8,841,159	-	-	302,624	302,624
22000	Department Of Public Instruction	15,234,977	-	-	818,834	818,834
23000	University Of North Carolina At Asheville	4,353,693	-	-	521,886	521,886
23100	University Of North Carolina At Charlotte	24,707,041	-	-	906,304	906,304
23200	University Of North Carolina At Wilmington	13,164,633	-	-	-	-
30000	Yancey County Schools	3,740,107	-	-	-	-
30100	Alamance County Schools	31,609,417	-	-	177,887	177,887
30102	Clover Garden Charter School	518,507	-	-	75,442	75,442
30103	River Mill Academy Charter	691,343	-	-	88,130	88,130
30104	The Hawbridge School	319,507	-	-	113,119	113,119
30105	Alamance Community College	3,015,966	-	-	148,140	148,140
30200	Alexander County Schools	7,435,993	-	-	-	-
30300	Alleghany County Schools	2,481,612	-	-	-	-
30400	Anson County Schools	4,869,252	-	-	259,057	259,057
30405	South Piedmont Community College	2,980,957	-	-	449,397	449,397
30500	Ashe County Schools	4,875,885	-	-	53,929	53,929
30600	Avery County Schools	3,776,591	-	-	60,902	60,902
30601	Grandfather Academy	92,498	-	-	13,517	13,517
30700	Beaufort County Schools	9,678,804	-	-	241,653	241,653
30705	Beaufort County Community College	1,831,175	-	-	108,008	108,008
30800	Bertie County Schools	4,145,111	-	-	201,640	201,640
30900	Bladen County Schools	6,508,428	-	-	-	-
30905	Bladen Community College	1,382,686	-	-	1,358	1,358
31000	Brunswick County Schools	17,840,781	-	-	771,831	771,831
31005	Brunswick Community College	1,715,828	-	-	18,307	18,307
31100	Buncombe County Schools	36,633,448	-	-	-	-
31101	F. Delany New School For Children	252,805	-	-	-	-
31102	Evergreen Community Charter School	574,522	-	-	-	-

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 Proportional Share Of Contributions	Total Deferred Inflows Of Resources	Proportional Share Of Pension Expense	Net Amortization Of Deferred Amounts From Changes In Proportion And Differences Between Employer Contributions And Proportional Share Of Contributions	Total Employer Pension Expense	
\$ 469,916	\$ 447,770	\$ -	\$ 57,108	\$ 974,794	\$ 402,714	\$ 33,216	\$ 435,930	
1,350,334	1,286,695	-	6,262,521	8,899,550	1,157,223	(1,734,910)	(577,687)	
305,498	291,100	-	88,722	685,320	261,809	(28,742)	233,067	
776,839	740,228	-	-	1,517,067	665,744	77,371	743,115	
8,162,424	7,777,745	-	549,275	16,489,444	6,995,119	(83,213)	6,911,906	
51,999	49,548	-	-	101,547	44,562	68,753	113,315	
807,720	769,654	-	-	1,577,374	692,208	447,658	1,139,866	
141,708	135,030	-	48,542	325,280	121,443	37,185	158,628	
1,099,223	1,047,418	-	217,826	2,364,467	942,024	274,689	1,216,713	
302,858	288,585	-	501,045	1,092,488	259,547	(142,385)	117,162	
282,746	269,421	-	-	552,167	242,311	86,318	328,629	
3,405,940	3,245,425	-	1,197,297	7,848,662	2,918,858	(348,985)	2,569,873	
216,375	206,178	-	-	422,553	185,431	20,201	205,632	
907,779	864,997	-	287,193	2,059,969	777,958	(24,494)	753,464	
103,662	98,777	-	44,076	246,515	88,838	11,032	99,870	
112,168	106,882	-	-	219,050	96,127	94,737	190,864	
18,017	17,168	-	-	35,185	15,441	11,710	27,151	
765,861	729,767	-	-	1,495,628	656,336	268,436	924,772	
20,654,070	19,680,684	-	-	40,334,754	17,700,341	1,778,821	19,479,162	
2,390,435	2,277,779	-	1,426,966	6,095,180	2,048,580	(305,134)	1,743,446	
639,279	609,151	-	50,254	1,298,684	547,856	(4,279)	543,577	
492,668	469,450	-	64,630	1,026,748	422,212	(18,775)	403,437	
1,775,919	1,692,223	-	-	3,468,142	1,521,946	118,461	1,640,407	
223,624	213,085	-	102,626	539,335	191,644	(18,294)	173,350	
-	-	-	7,072	7,072	-	(2,535)	(2,535)	
656,207	625,282	-	56,141	1,337,630	562,363	7,094	569,457	
2,392,656	2,279,894	-	-	4,672,550	2,050,483	324,993	2,375,476	
7,794	7,426	-	14,903	30,123	6,679	(2,528)	4,151	
-	-	-	15,007	15,007	-	(4,758)	(4,758)	
-	-	-	18,964	18,964	-	(5,591)	(5,591)	
3,645	3,474	-	2,853	9,972	3,124	5,435	8,559	
2,640	2,516	-	1,290	6,446	2,262	(204)	2,058	
5,531	5,271	-	-	10,802	4,740	5,200	9,940	
337,384	321,484	-	-	658,868	289,135	51,756	340,891	
29,445,172	28,057,477	-	4,337,831	61,840,480	25,234,232	(427,038)	24,807,194	
2,426,930	2,312,554	-	-	4,739,484	2,079,856	400,476	2,480,332	
335,541	319,728	-	-	655,269	287,555	48,453	336,008	
5,638,493	5,372,762	-	805,719	11,816,974	4,832,135	508,059	5,340,194	
492,417	469,210	-	1,805,825	2,767,452	421,997	(558,605)	(136,608)	
835,123	795,765	-	299,100	1,929,988	715,692	(79,666)	636,026	
1,672,885	1,594,045	-	-	3,266,930	1,433,647	68,867	1,502,514	
1,521,456	1,449,753	-	827,661	3,798,870	1,303,874	(177,937)	1,125,937	
2,086,697	1,988,354	-	1,547,769	5,622,820	1,788,279	(473,420)	1,314,859	
693,834	661,135	-	129,813	1,484,782	594,609	(14,486)	580,123	
8,964,236	8,541,768	-	-	17,506,004	7,682,264	907,530	8,589,794	
13,082,530	12,465,975	-	2,810,047	28,358,552	11,211,603	(45,687)	11,165,916	
551,581	525,586	-	35,341	1,112,508	472,699	39,311	512,010	
14,967,936	14,262,525	-	5,691,585	34,922,046	12,827,378	1,010,068	13,837,446	
71,315	67,954	-	103,365	242,634	61,116	(33,427)	27,689	
1,255,471	1,196,303	-	-	2,451,774	1,075,926	319,541	1,395,467	
1,005,240	957,865	-	82,025	2,045,130	861,481	85,746	947,227	
1,732,217	1,650,581	-	624,633	4,007,431	1,484,493	120,460	1,604,953	
495,015	471,686	-	-	966,701	424,223	176,163	600,386	
2,809,191	2,676,799	-	-	5,485,990	2,407,449	321,982	2,729,431	
1,496,819	1,426,276	-	473,358	3,396,453	1,282,759	(168,556)	1,114,203	
425,250	405,209	-	195,195	1,025,654	364,435	(65,612)	298,823	
3,593,991	3,424,613	-	1,025,382	8,043,986	3,080,016	(318,244)	2,761,772	
58,954	56,176	-	-	115,130	50,523	22,301	72,824	
78,606	74,901	-	-	153,507	67,364	28,391	95,755	
36,328	34,616	-	-	70,944	31,133	35,607	66,740	
342,915	326,754	-	-	669,669	293,875	50,610	344,485	
845,472	805,627	-	346,247	1,997,346	724,562	(115,569)	608,993	
282,159	268,862	-	27,771	578,792	241,808	(9,669)	232,139	
553,634	527,543	-	217,721	1,298,898	474,459	(6,275)	468,184	
338,935	322,962	-	-	661,897	290,464	141,724	432,188	
554,388	528,261	-	138,706	1,221,355	475,105	(34,777)	440,328	
429,398	409,162	-	-	838,560	367,990	17,821	385,811	
10,517	10,021	-	925	21,463	9,013	3,413	12,426	
1,100,480	1,048,616	-	-	2,149,096	943,101	70,638	1,013,739	
208,205	198,392	-	7,314	413,911	178,429	36,686	215,115	
471,299	449,088	-	77,079	997,466	403,899	50,921	454,820	
740,008	705,133	-	323,295	1,768,436	634,180	(97,653)	536,527	
157,211	149,802	-	84,289	391,302	134,729	(22,862)	111,867	
2,028,497	1,932,897	-	-	3,961,394	1,738,402	255,279	1,993,681	
195,090	185,896	-	27,359	408,345	167,190	(4,735)	162,455	
4,165,223	3,968,923	-	594,150	8,728,296	3,569,556	(190,835)	3,378,721	
28,744	27,389	-	53,133	109,266	24,633	(15,164)	9,469	
65,323	62,245	-	123,237	250,805	55,981	(41,966)	14,015	

Teachers and State Employees' Retirement System
Schedule of Pension Amounts by Employer
June 30, 2015

		Deferred Outflows Of Resources				
Employer Number	Employer	Net Pension Liability	Differences Between Expected And Actual Experience	Changes Of Assumptions	Changes In Proportion And Differences Between Employer Contributions And Proportional Share Of Contributions	Total Deferred Outflows Of Resources
31105	Asheville-Buncombe Technical College	6,020,139	-	-	421,351	421,351
31110	Asheville City Schools	8,646,212	-	-	282,407	282,407
31200	Burke County Schools	17,909,694	-	-	-	-
31205	Western Piedmont Community College	2,297,721	-	-	-	-
31300	Cabarrus County Schools	41,371,138	-	-	1,575,233	1,575,233
31301	Carolina International School	713,823	-	-	66,701	66,701
31320	Kannapolis City Schools	8,142,445	-	-	-	-
31400	Caldwell County Schools	17,446,833	-	-	-	-
31405	Caldwell Community College	3,613,705	-	-	-	-
31500	Camden County Schools	2,739,945	-	-	-	-
31600	Carteret County Schools	12,016,325	-	-	466,453	466,453
31601	Cape Lookout Marine Science H.S.	-	-	-	-	-
31605	Carteret Community College	1,747,889	-	-	32,538	32,538
31700	Caswell County Schools	3,634,711	-	-	207,847	207,847
31800	Catawba County Schools	23,064,180	-	-	57,187	57,187
31805	Catawba Valley Community College	4,290,308	-	-	36,992	36,992
31810	Hickory City Schools	5,480,995	-	-	-	-
31820	Newton-Conover City Schools	4,769,383	-	-	76,134	76,134
31900	Chatham County Schools	13,173,846	-	-	287,500	287,500
32000	Cherokee County Schools	5,032,138	-	-	84,872	84,872
32005	Tri-County Community College	1,260,338	-	-	168,963	168,963
32100	Edenton-Chowan County Schools	3,430,919	-	-	-	-
32200	Clay County Schools	2,006,222	-	-	98,537	98,537
32300	Cleveland County Schools	23,259,496	-	-	-	-
32305	Cleveland Technical College	2,355,579	-	-	344,274	344,274
32400	Columbus County Schools	8,330,759	-	-	346,162	346,162
32405	Southeastern Community College	2,124,885	-	-	-	-
32410	Whiteville City Schools	3,310,782	-	-	295,051	295,051
32420	SEGS Academy	99,132	-	-	71,736	71,736
32500	New Bern/Craven County Board Of Education	18,744,391	-	-	-	-
32505	Craven Community College	2,759,845	-	-	127,695	127,695
32600	Cumberland County Schools	68,577,481	-	-	-	-
32605	Fayetteville Technical Community College	9,280,066	-	-	410,591	410,591
32700	Currituck County Schools	5,637,984	-	-	332,483	332,483
32800	Dare County Schools	7,742,232	-	-	248,783	248,783
32900	Davidson County Schools	24,266,292	-	-	44,719	44,719
32901	Invest Collegiate Charter School	629,063	-	-	680,868	680,868
32905	Davidson County Community College	3,476,247	-	-	-	-
32910	Lexington City Schools	4,586,229	-	-	-	-
32920	Thomasville City Schools	3,811,232	-	-	78,041	78,041
33000	Davie County Schools	9,421,946	-	-	-	-
33001	N.E. Regional School For Biotechnology	222,586	-	-	141,109	141,109
33027	Cornerstone Academy	714,191	-	-	301,901	301,901
33100	Duplin County Schools	13,285,139	-	-	1,168,797	1,168,797
33105	James Sprunt Technical College	1,577,633	-	-	-	-
33200	Durham Public Schools	56,785,953	-	-	1,779,102	1,779,102
33202	Central Park School For Children	581,524	-	-	62,262	62,262
33203	Healthy Start Academy	504,504	-	-	54,077	54,077
33204	Voyager Academy	1,531,200	-	-	-	-
33205	Durham Technical Institute	4,541,638	-	-	94,114	94,114
33206	Bear Grass Charter School	380,312	-	-	38,984	38,984
33207	Invest Collegiate Charter (Buncombe)	375,890	-	-	407,226	407,226
33208	Kipp Halifax College Prep Charter	119,032	-	-	130,158	130,158
33209	Pioneer Springs Community Charter	210,056	-	-	228,623	228,623
33300	Edgecombe County Schools	8,404,831	-	-	-	-
33305	Edgecombe Technical College	2,295,878	-	-	-	-
33400	Winston-Salem-Forsyth County Schools	74,546,396	-	-	1,953,153	1,953,153
33402	Arts Based Elementary Charter	537,670	-	-	41,152	41,152
33403	Downtown Middle	-	-	-	-	-
33405	Forsyth Technical Institute	7,409,091	-	-	619,209	619,209
33500	Franklin County Schools	12,171,103	-	-	533,766	533,766
33501	A Childs Garden Charter (AKA Cross Creek Charter)	252,805	-	-	20,962	20,962
33600	Gaston County Schools	38,920,482	-	-	642,785	642,785
33605	Gaston College	5,526,691	-	-	130,303	130,303
33700	Gates County Schools	3,015,966	-	-	42,779	42,779
33800	Graham County Schools	2,120,463	-	-	71,055	71,055
33900	Granville County Schools And Oxford Orphanage	10,936,194	-	-	-	-
34000	Greene County Schools	4,931,900	-	-	-	-
34100	Guilford County Schools	112,178,901	-	-	538,259	538,259
34105	Guilford Technical Community College	9,833,582	-	-	-	-
34200	Halifax County Schools	5,001,182	-	-	-	-
34205	Halifax Community College	1,795,428	-	-	-	-
34220	Roanoke Rapids City Schools	3,920,682	-	-	21,787	21,787
34230	Weldon City Schools	1,835,966	-	-	1,854	1,854
34300	Harnett County Schools	26,012,707	-	-	1,199,977	1,199,977
34400	Haywood County Schools	11,015,794	-	-	117,147	117,147
34405	Haywood Technical College	2,339,732	-	-	8,562	8,562
34500	Henderson County Schools	18,437,414	-	-	201,036	201,036

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 Proportional Share Of Contributions	Total Deferred Inflows Of Resources	Proportional Share Of Pension Expense	Net Amortization Of Deferred Amounts From Changes In Proportion And Differences Between Employer Contributions And Proportional Share Of Contributions	Total Employer Pension Expense
684,490	652,231	-	-	1,336,721	586,601	122,820	709,421
983,074	936,744	-	-	1,919,818	842,485	81,318	923,803
2,036,332	1,940,364	-	1,452,030	5,428,726	1,745,117	(435,697)	1,309,420
261,251	248,938	-	351,397	861,586	223,889	(108,045)	115,844
4,703,898	4,482,213	-	1,307,231	10,493,342	4,031,196	(32,189)	3,999,007
81,162	77,337	-	-	158,499	69,555	21,412	90,967
925,796	882,165	-	532,819	2,340,780	793,398	(178,651)	614,747
1,983,705	1,890,217	-	459,137	4,333,059	1,700,016	(157,441)	1,542,575
410,878	391,515	-	305,959	1,108,352	352,119	(91,908)	260,211
311,532	296,850	-	135,200	743,582	266,980	(38,883)	228,097
1,366,256	1,301,867	-	-	2,668,123	1,170,868	154,896	1,325,764
-	-	-	44,219	44,219	-	(12,747)	(12,747)
198,735	189,369	-	14,054	402,158	170,314	3,976	174,290
413,267	393,790	-	67,062	874,119	354,166	33,539	387,705
2,622,397	2,498,809	-	121,303	5,242,509	2,247,369	(27,636)	2,219,733
487,808	464,818	-	179,526	1,132,152	418,047	(36,471)	381,576
623,189	593,820	-	382,950	1,599,959	534,067	(133,491)	400,576
542,279	516,723	-	34,916	1,093,918	464,728	8,575	473,303
1,497,866	1,427,274	-	81,811	3,006,951	1,283,657	50,317	1,333,974
572,154	545,190	-	54,573	1,171,917	490,331	3,950	494,281
143,300	136,547	-	-	279,847	122,807	52,535	175,342
390,096	371,711	-	177,870	939,677	334,308	(52,905)	281,403
228,107	217,357	-	-	445,464	195,486	31,827	227,313
2,644,605	2,519,969	-	893,547	6,058,121	2,266,401	(296,193)	1,970,208
267,829	255,207	-	-	523,036	229,527	106,331	335,858
947,207	902,567	-	330,729	2,180,503	811,748	(22,651)	789,097
241,599	230,213	-	151,148	622,960	207,048	(45,324)	161,724
376,436	358,695	-	-	735,131	322,602	90,339	412,941
11,271	10,740	-	6,271	28,282	9,659	23,974	33,633
2,131,237	2,030,797	-	218,014	4,380,048	1,826,450	(73,546)	1,752,904
313,794	299,006	-	86,301	699,101	268,919	4,440	273,359
7,797,259	7,429,789	-	3,711,299	18,938,347	6,682,177	(1,221,269)	5,460,908
1,055,143	1,005,416	-	-	2,060,559	904,248	127,483	1,031,731
641,039	610,827	-	-	1,251,866	549,364	96,727	646,091
880,292	838,805	-	-	1,719,097	754,402	75,525	829,927
2,759,077	2,629,047	-	453,654	5,841,778	2,364,503	(150,212)	2,214,291
71,524	68,153	-	-	139,677	61,296	193,902	255,198
395,249	376,622	-	358,561	1,130,432	338,725	(104,302)	234,423
521,454	496,879	-	274,723	1,293,056	446,881	(80,418)	366,463
433,337	412,914	-	203,200	1,049,451	371,366	(51,214)	320,152
1,071,275	1,020,788	-	294,449	2,386,512	918,073	(93,963)	824,110
25,308	24,116	-	-	49,424	21,689	45,543	67,232
81,204	77,377	-	-	158,581	69,591	92,651	162,242
1,510,520	1,439,332	-	-	2,949,852	1,294,501	366,286	1,660,787
179,377	170,923	-	131,062	481,362	153,724	(38,261)	115,463
6,456,563	6,152,278	-	1,064,956	13,673,797	5,533,213	111,121	5,644,334
66,119	63,003	-	-	129,122	56,664	20,604	77,268
57,362	54,658	-	-	112,020	49,159	15,299	64,458
174,097	165,892	-	52,982	392,971	149,200	(18,392)	130,808
516,384	492,048	-	-	1,008,432	442,536	28,326	470,862
43,242	41,203	-	-	84,445	37,058	13,090	50,148
42,739	40,724	-	-	83,463	36,627	112,805	149,432
13,534	12,896	-	-	26,430	11,598	36,055	47,653
23,883	22,758	-	-	46,641	20,468	63,331	83,799
955,629	910,593	-	469,350	2,335,572	818,965	(166,302)	652,663
261,041	248,739	-	123,298	633,078	223,710	(43,288)	180,422
8,475,925	8,076,471	-	-	16,552,396	7,263,787	604,806	7,868,593
61,133	58,252	-	4,337	123,722	52,391	13,548	65,939
-	-	-	141,446	141,446	-	(50,697)	(50,697)
842,414	802,712	-	39,634	1,684,760	721,940	210,960	932,900
1,383,854	1,318,636	-	-	2,702,490	1,185,950	175,433	1,361,383
28,744	27,389	-	16,475	72,608	24,633	(98)	24,535
4,425,259	4,216,704	-	604,712	9,246,675	3,792,404	(38,686)	3,753,718
628,385	598,770	-	-	1,227,155	538,520	40,500	579,020
342,915	326,754	-	-	669,669	293,875	14,164	308,039
241,097	229,734	-	28,755	499,586	206,618	9,377	215,995
1,243,445	1,184,844	-	487,731	2,916,020	1,065,621	(148,770)	916,851
560,757	534,330	-	382,178	1,477,265	480,563	(120,388)	360,175
12,754,741	12,153,634	-	1,921,980	26,830,355	10,930,691	(339,480)	10,591,211
1,118,078	1,065,385	-	134,124	2,317,587	958,182	(42,696)	915,486
568,634	541,835	-	773,223	1,883,692	487,314	(241,937)	245,377
204,140	194,520	-	58,985	457,645	174,946	(17,167)	157,779
445,782	424,773	-	19,129	889,684	382,031	(821)	381,210
208,749	198,911	-	11,862	419,522	178,896	(2,621)	176,275
2,957,645	2,818,257	-	1,572,835	7,348,737	2,534,673	(5,589)	2,529,084
1,252,496	1,193,468	-	151,027	2,596,991	1,073,377	(21,681)	1,051,696
266,028	253,491	-	38,616	558,135	227,983	(11,469)	216,514
2,096,334	1,997,538	-	162,991	4,256,863	1,796,538	(2,731)	1,793,807

Teachers and State Employees' Retirement System
Schedule of Pension Amounts by Employer
June 30, 2015

Employer Number	Employer	Net Pension Liability	Deferred Outflows Of Resources			
			Differences Between Expected And Actual Experience	Changes Of Assumptions	Changes In Proportion And Differences Between Employer Contributions And Proportional Share Of Contributions	Total Deferred Outflows Of Resources
34501	Mountain Community School	229,956	-	-	17,052	17,052
34505	Blue Ridge Community College	2,264,186	-	-	128,321	128,321
34600	Hertford County Schools	4,582,912	-	-	-	-
34605	Roanoke-Chowan Community College	1,009,007	-	-	16,514	16,514
34700	Hoke County Schools	12,242,596	-	-	308,122	308,122
34800	Hyde County Schools	1,194,741	-	-	45,910	45,910
34900	Iredell County Schools	27,883,682	-	-	-	-
34901	American Renaissance Middle School	667,021	-	-	15,942	15,942
34903	Success Institute	74,441	-	-	-	-
34905	Mitchell Community College	2,877,403	-	-	44,230	44,230
34910	Mooreville City Schools	8,139,865	-	-	396,744	396,744
35000	Jackson County Schools	5,551,751	-	-	232,786	232,786
35005	Southwestern Community College	2,653,711	-	-	172,497	172,497
35100	Johnston County Schools	47,829,079	-	-	921,286	921,286
35105	Johnston Technical College	4,434,767	-	-	147,158	147,158
35106	Neuse Charter School	973,629	-	-	224,115	224,115
35200	Jones County Schools	2,069,976	-	-	154,551	154,551
35300	Sanford-Lee County Board Of Education	13,602,434	-	-	281,449	281,449
35305	Central Carolina Community College	4,917,528	-	-	581,596	581,596
35400	Lenoir County Schools	11,651,491	-	-	40,049	40,049
35401	Children's Village Academy	121,243	-	-	37,633	37,633
35402	Kinston Charter Academy	-	-	-	-	-
35405	Lenoir County Community College	3,901,151	-	-	34,812	34,812
35500	Lincoln County Schools	16,044,984	-	-	334,399	334,399
35600	Macon County Schools	6,239,409	-	-	-	-
35700	Madison County Schools	3,733,474	-	-	45,346	45,346
35800	Martin County Schools	5,346,854	-	-	-	-
35805	Martin Community College	661,862	-	-	-	-
35900	McDowell County Schools	9,519,603	-	-	-	-
35905	McDowell Technical College	1,350,257	-	-	25,106	25,106
36000	Charlotte-Mecklenburg County Schools	209,272,076	-	-	-	-
36001	Community Charter School	127,508	-	-	-	-
36002	Kennedy Charter	744,041	-	-	95,536	95,536
36003	Community School Of Davidson	1,638,808	-	-	11,062	11,062
36004	Corvian Community School	612,480	-	-	619,317	619,317
36005	Central Piedmont Community College	17,900,112	-	-	1,993,866	1,993,866
36006	Lake Norman Charter School	1,997,009	-	-	46,611	46,611
36007	Socrates Academy	691,343	-	-	29,856	29,856
36008	Pine Lake Prep Charter	2,015,803	-	-	47,574	47,574
36009	Charlotte Secondary Charter	571,574	-	-	248,771	248,771
36100	Mitchell County Schools	2,891,775	-	-	12,259	12,259
36102	Kipp Charlotte Charter	445,909	-	-	-	-
36105	Mayland Technical College	1,507,615	-	-	-	-
36200	Montgomery County Schools	5,848,041	-	-	44,759	44,759
36205	Montgomery Community College	962,205	-	-	72,344	72,344
36300	Moore County Schools	17,949,125	-	-	87,433	87,433
36301	Academy Of Moore County	186,840	-	-	9,034	9,034
36302	Stars Charter School	466,915	-	-	96,482	96,482
36305	Sandhills Community College	3,585,698	-	-	135,127	135,127
36400	Nash-Rocky Mount Schools	20,050,425	-	-	-	-
36405	Nash Technical College	3,322,575	-	-	283,463	283,463
36500	New Hanover County Schools	38,600,975	-	-	1,618,650	1,618,650
36501	Cape Fear Center For Inquiry	437,433	-	-	33,040	33,040
36502	Wilmington Preparatory Academy	161,043	-	-	18,304	18,304
36505	Cape Fear Community College	7,681,427	-	-	362,787	362,787
36600	Northampton County Schools	3,070,507	-	-	-	-
36601	Gaston College Preparatory Charter	1,328,882	-	-	239,521	239,521
36700	Onslow County Schools	34,758,050	-	-	1,612,728	1,612,728
36701	Zeca School Of The Arts And Technology	123,823	-	-	121,942	121,942
36705	Coastal Carolina Community College	3,790,963	-	-	47,031	47,031
36800	Orange County Schools	12,258,443	-	-	219,448	219,448
36801	Pace Academy	215,216	-	-	-	-
36802	Orange Charter School	310,294	-	-	-	-
36810	Chapel Hill - Carrboro City Schools	23,928,359	-	-	601,866	601,866
36900	Pamlico County Schools	2,342,312	-	-	14,372	14,372
36901	Arapahoe Charter School	730,775	-	-	45,658	45,658
36905	Pamlico Community College	732,249	-	-	29,645	29,645
37000	Elizabeth City And Pasquotank County Schools	7,995,774	-	-	210,677	210,677
37005	College Of The Albemarle	2,012,487	-	-	58,958	58,958
37100	Pender County Schools	11,390,578	-	-	481,915	481,915
37200	Perquimans County Schools	2,741,419	-	-	104,719	104,719
37300	Person County Schools	6,789,240	-	-	-	-
37301	Roxboro Community School	715,297	-	-	115,962	115,962
37305	Piedmont Community College	2,261,237	-	-	-	-
37400	Pitt County Schools	33,936,251	-	-	141,522	141,522
37405	Pitt Community College	7,290,796	-	-	502,686	502,686
37500	Polk County Schools	3,926,947	-	-	333,403	333,403
37600	Randolph County Schools	23,705,405	-	-	-	-

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 Proportional Share Of Contributions	Total Deferred Inflows Of Resources	Proportional Share Of Pension Expense	Net Amortization Of Deferred Amounts From Changes In Proportion And Differences Between Employer Contributions And Proportional Share Of Contributions	Total Employer Pension Expense
26,146	24,914	-	-	51,060	22,407	4,728	27,135
257,438	245,305	-	32,443	535,186	220,622	37,006	257,628
521,077	496,520	-	266,780	1,284,377	446,558	(86,274)	360,284
114,724	109,318	-	33,698	257,740	98,317	(3,416)	94,901
1,391,983	1,326,381	-	-	2,718,364	1,192,916	94,021	1,286,937
135,842	129,440	-	35,397	300,679	116,415	6,650	123,065
3,170,375	3,020,961	-	1,120,403	7,311,739	2,716,981	(389,582)	2,327,399
75,840	72,266	-	79,149	227,255	64,994	(16,211)	48,783
8,464	8,065	-	5,190	21,719	7,254	(1,695)	5,559
327,161	311,742	-	11,118	650,021	280,374	8,267	288,641
925,503	881,885	-	-	1,807,388	793,147	116,607	909,754
631,234	601,485	-	-	1,232,719	540,962	64,652	605,614
301,727	287,507	-	-	589,234	258,577	58,608	317,185
5,438,166	5,181,876	-	2,355,396	12,975,438	4,660,456	(589,024)	4,071,432
504,233	480,469	-	85,254	1,069,956	432,123	29,129	461,252
110,702	105,484	-	-	216,186	94,870	70,570	165,440
235,356	224,265	-	-	459,621	201,698	50,213	251,911
1,546,597	1,473,708	-	383,892	3,404,197	1,325,419	(59,632)	1,265,787
559,123	532,772	-	-	1,091,895	479,163	170,398	649,561
1,324,774	1,262,340	-	61,107	2,648,221	1,135,319	(10,808)	1,124,511
13,785	13,136	-	29,847	56,768	11,814	(273)	11,541
-	-	-	350,079	350,079	-	(125,476)	(125,476)
443,561	422,657	-	116,470	982,688	380,127	(19,786)	360,341
1,824,315	1,738,339	-	350,209	3,912,863	1,563,420	(32,892)	1,530,528
709,421	675,987	-	263,576	1,648,984	607,967	(88,424)	519,543
424,496	404,491	-	91,061	920,048	363,789	(20,077)	343,712
607,937	579,286	-	122,391	1,309,614	520,996	(40,634)	480,362
75,254	71,707	-	67,663	214,624	64,492	(20,249)	44,243
1,082,379	1,031,369	-	468,139	2,581,887	927,588	(162,753)	764,835
153,524	146,289	-	-	299,813	131,569	8,147	139,716
23,794,234	22,672,857	-	7,912,438	54,379,529	20,391,432	(2,398,800)	17,992,632
14,498	13,815	-	110,740	139,053	12,424	(33,313)	(20,889)
84,598	80,611	-	45,014	210,223	72,499	21,773	94,272
186,332	177,551	-	51,168	415,051	159,685	(10,209)	149,476
69,639	66,357	-	-	135,996	59,680	196,493	256,173
2,035,243	1,939,326	-	-	3,974,569	1,744,184	626,083	2,370,267
227,060	216,359	-	72,973	516,392	194,588	(3,508)	191,080
78,606	74,901	-	7,651	161,158	67,364	8,582	75,946
229,197	218,396	-	-	447,593	196,419	16,861	213,280
64,988	61,925	-	-	126,913	55,694	73,673	129,367
328,795	313,299	-	118,035	760,129	281,774	(38,911)	242,863
50,700	48,310	-	229,769	328,779	43,449	(65,700)	(22,251)
171,416	163,337	-	42,804	377,557	146,902	(15,104)	131,798
664,922	633,586	-	49,210	1,347,718	569,832	(5,239)	564,593
109,403	104,246	-	-	213,649	93,757	22,535	116,292
2,040,815	1,944,635	-	175,398	4,160,848	1,748,959	(38,647)	1,710,312
21,244	20,243	-	-	41,487	18,206	3,172	21,378
53,088	50,586	-	-	103,674	45,496	29,056	74,552
407,694	388,480	-	90,712	886,886	349,390	4,918	354,308
2,279,733	2,172,294	-	2,018,521	6,470,548	1,953,710	(701,547)	1,252,163
377,777	359,973	-	-	737,750	323,751	98,340	422,091
4,388,931	4,182,088	-	-	8,571,019	3,761,272	519,666	4,280,938
49,736	47,392	-	-	97,128	42,623	9,470	52,093
18,311	17,448	-	12,098	47,857	15,692	3,209	18,901
873,378	832,218	-	264,997	1,970,593	748,477	56,625	805,102
349,117	332,663	-	242,134	923,914	299,190	(75,816)	223,374
151,094	143,973	-	-	295,067	129,486	72,305	201,791
3,951,990	3,765,741	-	-	7,717,731	3,386,818	485,394	3,872,212
14,079	13,415	-	-	27,494	12,065	40,106	52,171
431,033	410,718	-	87,966	929,717	369,391	(18,501)	350,890
1,393,785	1,328,098	-	107,871	2,829,754	1,194,460	22,125	1,216,585
24,470	23,317	-	41,012	88,799	20,971	(12,102)	8,869
35,280	33,618	-	65,012	133,910	30,235	(21,114)	9,121
2,720,654	2,592,435	-	-	5,313,089	2,331,575	168,987	2,500,562
266,321	253,770	-	-	520,091	228,234	4,856	233,090
83,089	79,174	-	1,380	163,643	71,207	12,153	83,360
83,257	79,333	-	777	163,367	71,350	10,410	81,760
909,119	866,274	-	276,411	2,051,804	779,107	(40,713)	738,394
228,820	218,036	-	-	446,856	196,096	18,023	214,119
1,295,109	1,234,073	-	525,611	3,054,793	1,109,896	(54,897)	1,054,999
311,699	297,009	-	76,957	685,665	267,123	1,425	268,548
771,937	735,556	-	537,733	2,045,226	661,542	(178,669)	482,873
81,329	77,496	-	-	158,825	69,698	33,841	103,539
257,103	244,986	-	412,112	914,201	220,335	(119,393)	100,942
3,858,552	3,676,705	-	504,876	8,040,133	3,306,742	(141,756)	3,164,986
828,963	789,896	-	-	1,618,859	710,414	154,624	865,038
446,494	425,451	-	-	871,945	382,641	102,610	485,251
2,695,304	2,568,280	-	1,059,957	6,323,541	2,309,850	(306,614)	2,003,236

Teachers and State Employees' Retirement System
Schedule of Pension Amounts by Employer
June 30, 2015

		Deferred Outflows Of Resources				
Employer Number	Employer	Net Pension Liability	Differences Between Expected And Actual Experience	Changes Of Assumptions	Changes In Proportion And Differences Between Employer Contributions And Proportional Share Of Contributions	Total Deferred Outflows Of Resources
37601	Uwharrie Charter Academy	304,029	-	-	304,477	304,477
37605	Randolph Community College	2,723,730	-	-	-	-
37610	Asheboro City Schools	7,588,928	-	-	16,229	16,229
37700	Richmond County Schools	9,964,775	-	-	-	-
37705	Richmond Technical College	2,943,736	-	-	306,197	306,197
37800	Robeson County Schools	30,639,105	-	-	362,672	362,672
37801	Southeastern Academy Charter School	208,214	-	-	207,699	207,699
37805	Robeson Community College	2,751,369	-	-	123,558	123,558
37900	Rockingham County Schools	17,559,231	-	-	137,504	137,504
37901	Bethany Community Middle School	234,010	-	-	863	863
37905	Rockingham Community College	1,919,251	-	-	3,413	3,413
38000	Rowan-Salisbury School System	26,229,765	-	-	-	-
38005	Rowan-Cabarrus Community College	5,323,269	-	-	307,275	307,275
38100	Rutherford County Schools	12,207,587	-	-	-	-
38105	Isothermal Community College	2,526,572	-	-	-	-
38200	Sampson County Schools	12,130,198	-	-	78,323	78,323
38205	Sampson Community College	1,681,187	-	-	-	-
38210	Clinton City Schools	4,232,450	-	-	68,977	68,977
38300	Scotland County Schools	9,298,860	-	-	-	-
38400	Stanly County Schools	11,810,691	-	-	11,669	11,669
38402	Gray Stone Day School	400,213	-	-	31,845	31,845
38405	Stanly Community College	2,790,800	-	-	-	-
38500	Stokes County Schools	9,483,489	-	-	-	-
38600	Surry County Schools	11,548,305	-	-	5,733	5,733
38601	Bridges Charter Schools	148,882	-	-	34,271	34,271
38602	Millennium Charter Academy	632,748	-	-	86,722	86,722
38605	Surry Community College	3,108,465	-	-	58,489	58,489
38610	Mount Airy City Schools	2,358,895	-	-	57,055	57,055
38620	Elkin City Schools	1,942,836	-	-	119,701	119,701
38700	Swain County Schools	3,310,045	-	-	256,954	256,954
38701	Mountain Discovery Charter	221,480	-	-	-	-
38800	Transylvania County Schools	5,720,901	-	-	152,472	152,472
38801	Brevard Academy Charter School	325,403	-	-	84,876	84,876
38900	Tyrrell County Schools	1,225,697	-	-	24,277	24,277
39000	Union County Schools	57,969,270	-	-	890,303	890,303
39100	Vance County Schools	9,223,314	-	-	-	-
39101	Vance Charter School	644,910	-	-	-	-
39105	Vance-Granville Community College	3,823,024	-	-	132,944	132,944
39200	Wake County Schools	227,014,830	-	-	4,777,210	4,777,210
39201	Endeavor Charter School	699,819	-	-	63,928	63,928
39204	Southern Wake Academy	430,063	-	-	230,359	230,359
39205	Wake Technical College	18,015,827	-	-	3,165,824	3,165,824
39208	East Wake Academy	1,446,809	-	-	-	-
39209	Casa Esperanza Montessori	655,965	-	-	44,812	44,812
39300	Warren County Schools	3,507,571	-	-	78,048	78,048
39301	Haliwa-Saponi Tribal Charter	237,695	-	-	51,716	51,716
39400	Washington County Schools	2,524,729	-	-	237,195	237,195
39401	Henderson Collegiate Charter School	617,639	-	-	293,291	293,291
39500	Watauga County Schools	7,207,510	-	-	61,039	61,039
39501	Two Rivers Community School	247,645	-	-	9,458	9,458
39600	Wayne County Schools	23,899,615	-	-	117,662	117,662
39605	Wayne Community College	3,520,101	-	-	246,500	246,500
39700	Wilkes County Schools	14,553,215	-	-	371,446	371,446
39703	Pinnacle Classical Academy	319,507	-	-	304,039	304,039
39705	Wilkes Community College	3,369,008	-	-	307,594	307,594
39800	Wilson County Schools	16,115,739	-	-	-	-
39805	Wilson Community College	1,803,167	-	-	31,584	31,584
39900	Yadkin County Schools	7,947,129	-	-	141,066	141,066
51000	Highway - Administrative	132,444,542	-	-	3,686,935	3,686,935
Total for All Employers		\$ 3,685,197,999	\$ -	\$ -	\$ 90,295,984	\$ 90,295,984

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 Proportional Share Of Contributions	Total Deferred Inflows Of Resources	Proportional Share Of Pension Expense	Net Amortization Of Deferred Amounts From Changes In Proportion And Differences Between Employer Contributions And Proportional Share Of Contributions	Total Employer Pension Expense	
34,568	32,939	-	-	67,507	29,625	96,199	125,824	
309,688	295,093	-	28,756	633,537	265,400	(8,341)	257,059	
862,861	822,197	-	314,991	2,000,049	739,464	(81,438)	658,026	
1,132,995	1,079,599	-	262,078	2,474,672	970,966	(89,941)	881,025	
334,703	318,929	-	-	653,632	286,837	105,599	392,436	
3,483,666	3,319,487	-	116,175	6,919,328	2,985,469	97,809	3,083,278	
23,674	22,558	-	-	46,232	20,288	66,670	86,958	
312,831	298,087	-	282,208	893,126	268,093	(33,888)	234,205	
1,996,485	1,902,394	-	745,961	4,644,840	1,710,968	(157,353)	1,553,615	
26,607	25,353	-	-	51,960	22,802	292	23,094	
218,219	207,934	-	61,534	487,687	187,011	(15,822)	171,189	
2,982,324	2,841,773	-	2,162,545	7,986,642	2,555,823	(727,772)	1,828,051	
605,256	576,731	-	-	1,181,987	518,698	98,730	617,428	
1,388,003	1,322,589	-	737,957	3,448,549	1,189,505	(252,804)	936,701	
287,271	273,732	-	96,242	657,245	246,189	(28,504)	217,685	
1,379,203	1,314,204	-	75,364	2,768,771	1,181,964	7,196	1,189,160	
191,151	182,142	-	119,662	492,955	163,815	(34,794)	129,021	
481,230	458,551	-	86,860	1,026,641	412,409	662	413,071	
1,057,280	1,007,453	-	681,392	2,746,125	906,079	(242,134)	663,945	
1,342,876	1,279,589	-	643,119	3,265,584	1,150,832	(227,276)	923,556	
45,504	43,359	-	15,176	104,039	38,997	7,210	46,207	
317,314	302,360	-	179,246	798,920	271,935	(55,069)	216,866	
1,078,273	1,027,456	-	464,058	2,569,787	924,069	(142,826)	781,243	
1,313,042	1,251,161	-	597,515	3,161,718	1,125,265	(212,575)	912,690	
16,928	16,130	-	-	33,058	14,507	10,652	25,159	
71,944	68,553	-	-	140,497	61,655	24,248	85,903	
353,432	336,775	-	58,727	748,934	302,888	4,696	307,584	
268,206	255,566	-	2,358	526,130	229,850	19,797	249,647	
220,900	210,490	-	-	431,390	189,310	34,598	223,908	
376,352	358,616	-	-	734,968	322,530	76,193	398,723	
25,182	23,995	-	51,320	100,497	21,581	(16,834)	4,747	
650,466	619,811	-	35,394	1,305,671	557,444	29,550	586,994	
36,998	35,254	-	45,221	117,473	31,707	17,895	49,602	
139,362	132,794	-	75,969	348,125	119,432	(20,504)	98,928	
6,591,106	6,280,480	-	1,457,794	14,329,380	5,648,515	(275,885)	5,372,630	
1,048,691	999,267	-	199,931	2,247,889	898,718	(71,085)	827,633	
73,326	69,870	-	31,380	174,576	62,840	(9,479)	53,361	
434,678	414,192	-	-	848,870	372,515	42,933	415,448	
25,811,585	24,595,134	-	-	50,406,719	22,120,282	1,368,713	23,488,995	
79,569	75,819	-	15,294	170,682	68,190	12,227	80,417	
48,898	46,593	-	-	95,491	41,905	69,110	111,015	
2,048,400	1,951,862	-	-	4,000,262	1,755,459	969,124	2,724,583	
164,502	156,750	-	170,540	491,792	140,977	(57,188)	83,789	
74,583	71,069	-	50,263	195,915	63,917	(5,602)	58,315	
398,811	380,015	-	48,476	827,302	341,777	4,245	346,022	
27,026	25,752	-	35,949	88,727	23,161	8,578	31,739	
287,062	273,533	-	75,723	636,318	246,009	64,040	310,049	
70,226	66,915	-	-	137,141	60,183	88,742	148,925	
819,494	780,873	-	70,759	1,671,126	702,298	2,277	704,575	
28,157	26,831	-	22,304	77,292	24,131	(2,788)	21,343	
2,717,386	2,589,321	-	971,701	6,278,408	2,328,774	(315,687)	2,013,087	
400,235	381,373	-	-	781,608	342,998	77,676	420,674	
1,654,701	1,576,718	-	269,235	3,500,654	1,418,063	6,393	1,424,456	
36,328	34,616	-	-	70,944	31,133	102,365	133,498	
383,056	365,004	-	-	748,060	328,276	98,081	426,357	
1,832,360	1,746,004	-	751,893	4,330,257	1,570,315	(268,674)	1,301,641	
205,020	195,358	-	55,524	455,902	175,700	(11,152)	164,548	
903,589	861,005	-	346,939	2,111,533	774,367	(85,274)	689,093	
15,058,944	14,349,244	-	1,405,858	30,814,046	12,905,371	932,048	13,837,419	
\$ 419,007,001	\$ 399,259,993	\$ -	\$ 90,295,817	\$ 908,562,811	\$ 359,085,001	\$ 69	\$ 359,085,070	



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 pension 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 that elect to join the Retirement System. 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 on the attached Schedule of Pension Amounts by Employer for the fiscal year ended June 30, 2015 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 membership service, 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 membership. 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. 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.

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 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 (not including sick leave)

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** - Contribution provisions are established by General Statute 135-8 and may be amended only by the North Carolina General Assembly. Plan members are required to contribute 6% of their annual pay. The contribution rate for employers is set each year by the North Carolina General Assembly in the Appropriations Act based on the actuarially determined rate recommended by the actuary. The State and other participating employers' contractually required contribution rate for the year ended June 30, 2015 was 9.15% of covered payroll. This was equal to the actuarially determined contribution. This amount, combined with plan member contributions and investment income fund the benefits earned by plan members during the year and administrative expenses.
- D. Refunds of Contributions** - Members who have terminated service as a contributing member may file an application for a refund of their contributions. State law allows, effective January 1, 2015, that refunds to members include interest (currently 4%), regardless of the number of years of retirement service credit or of the reason for separation from service. 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 Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer provide employers with the required information for financial reporting.

There are two schedules (a Schedule of Employer Allocations for the fiscal year ended June 30, 2015 and a Schedule of Pension Amounts by Employer for the fiscal year ended June 30, 2015, 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, 2015, 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	\$ 68,692,228
Plan Fiduciary Net Position	<u>(65,007,030)</u>
Net Pension Liability	<u>\$ 3,685,198</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.64%

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. Schedule of Employer Allocations** - The Schedule 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 collective amounts. 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.
- 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 Schedule 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 4.61 years. The remaining unamortized balance is included in either deferred outflow of resources or in deferred inflow of resources as indicated.

E. Deferred Outflows of Resources and Deferred Inflows of Resources

The recognition period for amortizing the deferred outflow and deferred inflow of resources is set forth by GASB 68, paragraph 71. Depending on the specific deferral the period is defined as either a fixed five year period or the Average Expected Remaining Service Life (AERSL) of all members in the plan. The following table presents a summary of changes in the deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2015 (dollars in thousands).

	<u>Year of Deferral</u>	<u>Amortization Period</u>	<u>Beginning of Year Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>End of Year Balance</u>
Deferred Inflows of Resources:						
Difference between expected and actual experience	2014	4.79	\$ 273,285	\$ -	\$ 72,107	\$ 201,178
Difference between expected and actual experience	2015	4.61	-	278,170	60,341	217,829
Subtotal			\$ 273,285	\$ 278,170	\$ 132,448	\$ 419,007
Net Difference between projected and actual earnings on pension plan investments	2014 - 2015	5.00	3,961,182	(3,214,533)	347,389	399,260
Total			<u>\$ 4,234,467</u>	<u>\$ (2,936,363)</u>	<u>\$ 479,837</u>	<u>\$ 818,267</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense are shown in the following table (dollars in thousands).

Year Ended June 30:	
2016	\$ (479,837)
2017	(479,837)
2018	(464,692)
2019	606,099
Total	<u>\$ (818,267)</u>

NOTE 3 - ACTUARIAL METHODS AND ASSUMPTIONS

The total pension liability was determined by an actuarial valuation performed as of December 31, 2014. 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, 2015. 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.

For the fiscal year ended June 30, 2015, retirees in TSERS received a 1% cost of living adjustment (COLA) for retirees whose retirement began on or before July 1, 2013. Members with effective dates between August 1, 2013 and June 1, 2014 received a prorated amount. This benefit enhancement reflects legislation enacted by the North Carolina General Assembly effective July 1, 2014 and was reflected as liabilities in the valuation described above. Future and ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

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, 2014 valuations were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

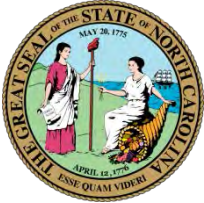
NOTE 4 - ADDITIONAL FINANCIAL AND ACTUARIAL INFORMATION

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, 2015. The additional financial and actuarial

information is available at http://www.osc.nc.gov/financial/15_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 Employees' Retirement System 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 the total pension expense included in the accompanying Schedule of Pension Amounts by Employer as of and for the years ended June 30, 2015, and the related notes (hereafter referred to as "the Schedules") and have issued our report thereon dated April 14, 2016.

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

April 14, 2016

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