



LOCAL GOVERNMENT COMMISSION
STATE AND LOCAL GOVERNMENT FINANCE DIVISION
GREGORY C. GASKINS, DEPUTY TREASURER

INSTRUCTIONS FOR LGC-203 FORMS

(LGC-203 EZ Form OR the Standard LGC-203 Form)

The LGC-203 report is required to be filed twice each year pursuant to G.S. 159-33 and 33.1 or G.S. 115C-446. The semi-annual LGC-203 report due dates for either form are July 25 and January 25 each year. LGC-203 forms are available at <https://www.nctreasurer.com/slq/lfm/forms-instructions/Pages/Cash-and-Investments.aspx>

Please note

- **Charter schools** are not required to file 203 forms.
- **Discretely presented component units** must file their own separate LGC-203 report forms. They cannot file together with their primary governments.
- **ABC Boards'** 203 reports are administered by the ABC Commission and can be found on the ABC Commission website <http://abc.nc.gov/Documents/Index/17>. ABC Board 203 reports are to be sent directly to the ABC Commission not to the Department of State Treasurer. *Note that the forms available on the ABC site are for ABC boards only. All other units required to report should use the LGC-203 Standard form or the LGC-203 EZ form available at the link at the top of this page.*

Submitting the Completed Report

1. Please email either your completed LGC-203 EZ report OR the Standard LGC-203 report in **Excel format** to LGC0203@nctreasurer.com. Note that the email is Zero 2 Zero 3. You will get an automated confirmation if we receive your email. If you do not get a confirmation it is highly unlikely that we received your email. We suggest you check the email address and re-send or call our office. Staff may not see messages included in the email since emailed forms are processed using an automated procedure.
2. If emailing the report in Excel format is not possible, you must mail a printed and signed form to the following address.

NC Department of State Treasurer – SLGFD
3200 Atlantic Avenue – Longleaf Building
Raleigh, NC 27604

3. If you email the Excel workbook report, please do not also mail a hard copy.



Selecting the Appropriate Form for Your Unit

Forms are available at LGC-203 forms are available at

<https://www.nctreasurer.com/slq/lfm/forms-instructions/Pages/Cash-and-Investments.aspx>

1. Please always use the LGC-203 report forms updated for that report period. Example – “Rev. 12-18” for the December 31, 2018 report. Macros have been updated for use in automated processing for the Rev. 12-18 report. These updated macros do not function on previous report versions.
2. There are two versions of the LGC-203 report to choose from. Please choose the report form that is most appropriate for your unit:

LGC-203 EZ (Rev. 12-18) - This one-page form **can only be used** by units of government that have 100% of their deposits/investments in any or all of the following types of accounts:

- Pooling banks
- CDARS or ICS deposits
- NC Capital Management Trust Government or Term Portfolio

The LGC-203 EZ form **cannot be used** if your unit:

- is a public housing authority or a board of education
- has funds on deposit in a bank that utilizes the dedicated collateralization process
- has investments other than its accounts with NCCMT

Standard LGC-203 (Rev. 12-18) – This multi-page form **must be used** if your unit:

- is a public school
- is a public housing authority
- has any investments other than those listed on the EZ form Section IV
- has funds on deposit in financial institutions that are not Pooling Banks (dedicated method of collateralization).

Downloading the Form

The LGC-203 is NOT an online form at this time and cannot be prepared on the DST website. You must download the report form, save it to your own system, and complete the form from your system.



1. Go to <https://www.nctreasurer.com/slq/lfm/forms-instructions/Pages/Cash-and-Investments.aspx>
2. Click on the form link of the appropriate form. If you are prompted for a username or password, click cancel.
3. After the file opens, go to "File" and "Save As" so that you can save and name the file directly to your own computer system. Ex: "Dogwood LGC-203 12.31.18". If you have not saved & named the LGC-203 Excel report form to your computer system, your data may be lost.

Completing the LGC-203 and the LGC-203EZ

The Excel workbook report form is designed so that subtotals, totals, and carry-over subtotals automatically flow to the other cells/sheets. The Excel workbook is protected so that you will only be able to enter data in the yellow cells.

Yellow cells – are for data entry

Light gray cells – are "drop-down" lists from which you must make your selection.

Turquoise cells – contain formulas and many cells are linked to other cells in the workbook.

Please refer to these instructions whether you complete it as an Excel workbook or choose to manually complete a hard copy of the blank form. Please round all dollar amounts and enter as whole dollars.

General Instructions

1. Each unit is to record the bank statement balances of cash deposit accounts and the market values of investments as of June 30 and December 31 of each year.
2. Amounts should be rounded and entered to the nearest dollar.

Certification

1. **Name of Unit** - On the tab: LGC-203 – PG 1, click on the light grey cell, to the right of the cell is a small arrow. Click on this arrow and a "drop-down" list will appear. Scroll through the list to select the name of your local government or public authority. When you select the unit name, the "Legal Name of Unit" as recorded in our records will appear. If your unit's name does not appear, please verify that you are using the correct form. Schools and public housing authorities names are not on the drop down list of the LGC-EZ form. If your unit's name does not appear on either form, please contact us.
2. **Certification** - Enter the name and title of the unit official that is certifying the information in the report, and the official's mailing address, telephone number and email address.



3. **Signature** is only required if mailing a hard copy via US mail. If you email (preferred) the completed Excel workbook, a signature is not required. Please do not fax or mail a separate signature page

Section I

1. Cash on Hand - Enter the amount of petty cash and un-deposited receipts (cash or checks received but not yet deposited at the close of business on June 30 or December 31). The totals will automatically populate and carry over to LGC-203 EZ – Section V Summary or Standard LGC-203 – Section VII Summary on Pg. 2 of Standard form.
2. If manually completing the form: add the totals for cash on hand and enter the amount in the box to the right, then carry the total to the correct Summary section on the form you are using.

Sections II and III

1. Determine which method of collateralization your financial institutions have chosen to use - dedicated or pooling. If any of the unit's deposits are in dedicated method financial institutions, you must use the Standard LGC-203 form.
NOTE: Due to HUD regulations, public housing authority deposits must be collateralized by the dedicated method of collateralization even if the bank collateralizes other public deposits using the pooling method.
2. If manually completing the form: complete Section VIII on page 2 of the Standard LGC-203 form for each institution listed in Section III. If your depository, including branch offices, appears on the pooling list, then report it in the Pooling Method Financial Institutions section of the report.
3. Definitions
 - **Demand deposits:** checking accounts clearly identified as demand deposits by the financial institution. Can be either interest bearing or non-interest bearing.
 - **Time deposits:** regular savings accounts, CDs.
 - **Interest bearing checking accounts:** NOW, SUPER NOW, money market deposit accounts, and any other interest bearing checking accounts.
 - **ICS or CDARs:** deposits please list the amounts in the areas marked under the Dedicated Method Financial Institutions section. Send the statement as of the report period.
4. Pooling Method Financial Institutions
 - a) While on the light gray cell click on the drop down list of pooling banks provided in the drop down list in the Pooling Method Financial Institutions section of the report. The list mirrors the list of pooling banks as of the reporting date is posted on the State Treasurer's website



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(<https://www.nctreasurer.com/fod/Resources/PoolingBankList.pdf>) and is also a part of the most current “Collateralization of Public Deposits and Pooling Bank List” memo regarding LGC-203 reporting. If any of the unit’s depositories are not on the pooling list, then report them in Section III of the Standard LGC-203 form as dedicated method institutions.

- b) Enter TOTAL amount for all accounts at the bank in correct column based on type of account for each depository, one depository per line. Include total statement balances for all such accounts as shown on the bank statement for the close of business June 30 or December 31. Each line should include total amounts related to the financial institution – not individual funds/accounts. Financial institutions must be listed only one time. Amounts should be rounded to nearest dollar.
- c) Use supplemental pages as needed to list additional financial institutions. Subtotals from any supplemental pages needed that list additional financial institutions should automatically carry over to LGC-203 - PG 1. If manually preparing, you will need to enter the amounts on the supplemental pages and carry the totals over.
- d) Manual preparers, please:
 - a. List the institution's name for each depository (full name of institution and its town/city location; e.g. First Citizens, Raleigh; SunTrust, Durham). Do not abbreviate; do not provide mailing addresses.
 - b. Compute totals by column for all pooling banks.
 - c. Compute a grand total for all pooling banks and enter amount in the box to the right.
 - d. Carry the grand total to the Summary section - Page 2, Section VI, line (2).
 - e. The grand total for all Pooling Method institutions will flow into the turquoise cells to the right. then to the Summary section on either Pg. 1 or 2 depending on which form you are using.

5. Dedicated Method Financial Institution

This section always applies to public housing authorities even if their bank is on the pooling list. These also are financial institutions NOT found on the pooling method list.

- a) Enter the institution's name for each depository and city/town in which the bank branch of the official depository is located on the yellow line under the depository.
- b) Enter TOTAL amount for all accounts at the bank in correct column based on type of account for each depository, one depository per line. Include total statement balances for all such accounts as shown on the bank statement for the close of business June 30 or December 31. Each line should include total amounts related to the financial institution – not individual funds/accounts. Financial institutions must be listed only one time. Amounts should be rounded to nearest dollar.
- c) Use supplemental pages as needed to list additional financial institutions. Subtotals from any supplemental pages needed that list additional financial institutions should automatically carry over to LGC-203 - PG 1. If manually preparing, you will need to enter the amounts on the supplemental pages and carry the totals over.



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- d) CDARS and ICS totals must be listed under the Dedicated Method Financial Institutions section. Totals must be included and the appropriate period ending statement (June 30 or December 31) must be emailed with the LGC-203 report. The statement pages must list the banks and the amounts invested in each bank.
- e) The grand total for all Pooling Method institutions will flow into the turquoise cells to the right, then to the Summary section on either Pg. 1 or 2 depending on which form you are using.
- f) Manual preparers, please:
 - a. List the institution's name for each depository (full name of institution and its town/city location; e.g. First Citizens, Raleigh; SunTrust, Durham). Do not abbreviate; do not provide mailing addresses.
 - b. Compute totals by column for all dedicated banks.
 - c. Compute a grand total for all dedicated banks and enter amount in the box to the right.
 - d. Carry the grand total to the Summary section - Page 2, Section VI, line (3).

Section IV – Investments

1. EZ and Standard form:

List all funds invested with the North Carolina Capital Management Trust (NCCMT) including debt related funds and bond proceeds on the proper line: Government Portfolio or Term Portfolio (both the EZ and Standard form)
2. Standard form only:
 - a) List all funds invested in the State Treasurer's Short-Term Investment Fund (STIF).
 - b) List LEOSA Irrevocable Trust - either "Funds with State Treasurer" or "Other" on their respective lines.
 - c) For "Other" LEOSA Irrevocable Trust investments, including trust cash accounts, you also must provide a copy of portfolio listing for these funds since they are invested with custodians other than the State Treasurer.
 - d) List OPEB Irrevocable Trust – either "Funds with State Treasurer" or "Other" on their respective lines.
 - e) For "Other" OPEB Irrevocable Trust investments, including trust cash accounts, you also must provide a copy of portfolio listing for these funds since they are invested with custodians other than the State Treasurer.
 - f) List Hospital Funds Invested with State Treasurer separately on the line provided.

Section V – Investments (Standard LGC-203 Form only)

Any additional investments other than funds held in the North Carolina Capital Management Trust (NCCMT) are to be listed on Page 2 of the Standard LGC-203 form.

1. Enter amounts rounded to nearest dollar.



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2. List government securities, government agencies, commercial paper, obligations of the State of NC, and bonds and notes of any North Carolina local government or public authority. Other investments (such as endowments or unexpended bond proceeds if the proceeds are not in a pooling bank or the NCCMT) and repurchase agreements separately.
3. Enter the custodian or safekeeper, type of security, purchase amount total and market value total.
4. Please compute the totals of "market value" as of report date (June 30 or December 31) by each type of investment category and record the total market value in each of the appropriate boxes.
5. Provide your own separate schedule detailing your units' investments with a clear description for each of these additional investment categories. This additional information is necessary for our review/evaluation of the investments for compliance with General Statutes and should agree to the totals you entered on the LGC-203 report. Send /attach the separate schedule along with the LGC-203 report.

Your separate schedule must include a clear description for each of these investment categories, including

- Name of custodian
- Type/name of investment
- Purchase amount for each investment
- Market value for each investment as of report date (June 30 or Dec. 31)
- Purchase date
- Maturity date
- Commercial paper rating at purchase
- Any other special features

Specifically, your separate schedule must include

- For Government Securities and Agencies: list the type of security, as well as the specific government agency issuer. Also, include the name of the institution acting as the unit's custodian or safekeeping agent pursuant to the requirements of G.S. 159-30(d). If the securities are held in the unit's vault, indicate this as well.
- Commercial Paper: List the commercial paper name(s) in detail so that we can clearly identify it upon our search with the rating agencies (Moody's, Fitch, Standard & Poors). Please include the rating at time of purchase. Please note that the cusip numbers are not utilized in our reviews.
- Obligations of the State of NC and bonds and notes of any North Carolina local government or public authority. This is a new investment category for the LGC-



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203 report beginning this cycle; the bankers' acceptances category was removed from the report.

- Repurchase Agreements: list the institution(s) with whom the agreement is made, purchase date, maturity date, the specific securities purchased, their purchase amount, current market value, yield, and the third-party escrow agent holding the securities in safekeeping. Also indicate whether a master agreement is in place.
6. Compute a "Market Value Total" for each investment type and enter amount in the boxes provided. "Market Value Total" for each category of investment should agree to the separate detailed schedules you provide. Regardless of the format and number of supporting schedules, compute market/maturity values as specified and enter amount in the boxes provided.
 7. Manual Preparers - Compute a Grand Total for the unit's investment portfolio (Section V Investments): Calculate this amount by summing the "Market Value Total" for each investment category. Enter the amount in the box provided. Carry the Grand Total to the Summary section on PG 2.

Summary Section

Manual preparers: enter total from Sections I through V on pg. 1 or 2 depending on the form. Amounts come directly from the boxes on the front page. Enter on line 8 any unexpended bond and/or note proceeds to compute "Net Cash and Investments" (line 9).

All other preparers: enter on line 8 any unexpended bond and/or note proceeds. All other fields in this section will be automatically calculated.

Section VII – Deposits in Dedicated Method Financial Institutions

Complete Section VII for each dedicated method financial institution reported on PG 1 in Dedicated Method Financial Institution section. Per institution, show the name and enter the total amount of demand deposit accounts. These accounts have \$250,000 of FDIC coverage; compute the uninsured balance (a-b). Also, enter the total time deposits including regular savings and CDs. Enter the total amount of interest bearing accounts. Compute the sum of the interest bearing accounts just entered. These accounts have an additional \$250,000 of FDIC coverage; compute the uninsured balance for these accounts.

In the Securities Pledged as Collateral section to the right in Section VII, record the current market value of the securities held by a third-party financial institution as collateral security for the uninsured deposits as of the LGC-203 report period (either June 30 or December 31). By statute the amount in "Total Pledged" must exceed the sum of the uninsured balances to the left. A confirmation statement from the depository or escrow agent listing all securities held as collateral for this reporting period (either June 30 or December 31) is required to be sent.



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Complete the questions about the escrow agent by indicating name and marking either no or yes; or if applicable, enter the location of the Federal Reserve Bank branch being used. The unit will be contacted if the data required in Section VII is not provided.

Final Steps

1. Review the report for completeness and legibility.
2. Save your final file to your computer system in case you need to provide it at a future date.
3. Be sure that you have included/attached accompanying schedules if applicable.
4. Email your completed LGC-203 form **in Excel format** to LGC0203@nctreasurer.com. Please do not submit your completed LGC-203 form in PDF format. Only if you are submitting your report in hard copy by mail is a signature required.

For additional assistance **sending your report** please contact
Lorna Hodge at (919) 814-4299 or Lorna.Hodge@nctreasurer.com

For additional assistance **preparing your report** contact please contact
Becky Dzingeleski at (919) 814-4287 or Becky.Dzingeleski@nctreasurer.com

NEW Do you have feedback to share with us on the LGC-203 process? Let us know! Visit our [feedback form](#) and let us know what worked well and what we can do to improve the process.