



# STATE OF NORTH CAROLINA

## AUDIT RESULTS FROM CAFR AND SINGLE AUDIT PROCEDURES

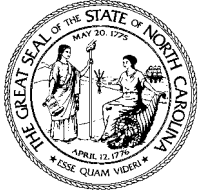
OFFICE OF THE STATE CONTROLLER

FOR THE YEAR ENDED JUNE 30, 2003

OFFICE OF THE STATE AUDITOR

RALPH CAMPBELL, JR.

STATE AUDITOR



Ralph Campbell, Jr.  
State Auditor

STATE OF NORTH CAROLINA  
Office of the State Auditor

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March 4, 2004

The Honorable Michael F. Easley, Governor  
Members of the North Carolina General Assembly  
Mr. Robert L. Powell, State Controller

We have completed certain audit procedures at the Office of the State Controller related to the State's *Comprehensive Annual Financial Report (CAFR)* and *Single Audit Report* for the year ended June 30, 2003. Our audit was performed by authority of Article 5A of Chapter 147 of the *North Carolina General Statutes*.

Our procedures, as described below, yielded no audit findings and recommendations for the Office of the State Controller related to the State's financial statements or the State's federal financial assistance programs which require disclosure in the aforementioned reports.

The accounts and operations of the Office of the State Controller are an integral part of the State's reporting entity represented in the *CAFR* and the *Single Audit Report*. In the *CAFR*, the State Auditor expresses an opinion on the State's financial statements. In the *Single Audit Report*, the State Auditor also presents the results of tests on the State's internal control and on the State's compliance with laws, regulations, contracts, and grants applicable to the State's financial statements and to its federal financial assistance programs. The audit procedures were conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-133.

As part of the work necessary for issuance of the *CAFR* and the *Single Audit Report*, the following reporting and compliance activities of the State were subjected to audit procedures at the Office of the State Controller as we considered necessary:

Activities for the *Comprehensive Annual Financial Report*:

Internal Control Over Statewide Financial Reporting

Preparation of the *Comprehensive Annual Financial Report*

Activities for the *Single Audit Report*:

Compliance with the Federal Cash Management Improvement Act

Preparation of the Schedule of Expenditures of Federal Awards

The activities subjected to audit at the Office of the State Controller are substantially less in scope than would be necessary to report on the financial statements that relate solely to the Office of the State Controller or the administration of federal programs by the Office of the State Controller. Therefore, we do not express such conclusions.

*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 black ink that reads "Ralph Campbell, Jr." in a cursive script.

Ralph Campbell, Jr.  
State Auditor

# DISTRIBUTION OF AUDIT RESULTS

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The Honorable Michael F. Easley  
The Honorable Beverly M. Perdue  
The Honorable Richard H. Moore  
The Honorable Roy A. Cooper, III  
Mr. David T. McCoy  
Mr. Robert L. Powell

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Lieutenant Governor of North Carolina  
State Treasurer  
Attorney General  
State Budget Officer  
State Controller

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Director, Fiscal Research Division

March 10, 2004

## ORDERING INFORMATION

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Copies of this report may be obtained by contacting the:

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