



# **STATE OF NORTH CAROLINA**

**AUDIT RESULTS FROM**

**CAFR AND SINGLE AUDIT PROCEDURES**

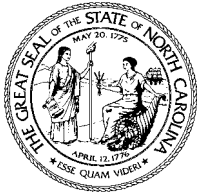
**OFFICE OF INFORMATION TECHNOLOGY SERVICES**

**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 16, 2004

The Honorable Michael F. Easley, Governor  
Members of the North Carolina General Assembly  
Mr. George Bakolia, State Chief Information Officer  
Office of Information Technology Services

We have completed certain audit procedures at the Office of Information Technology Services 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 audit procedures, as described below, yielded no audit findings and recommendations for the Office of Information Technology Services related to the State's financial statements or the State's federal financial assistance programs that require disclosure in the aforementioned reports.

The accounts and operations of the Office of Information Technology Services 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 individual funds and federal compliance requirements of the State were subjected to audit procedures at the Office of Information Technology Services as we considered necessary:

Funds for the *Comprehensive Annual Financial Report*

None

Federal Compliance Requirements for the *Single Audit Report*

Billed Central Service Costs

Our audit procedures at the Office of Information Technology Services were substantially less in scope than would be necessary to report on the financial statements that relate solely to the Office of Information Technology Services or the administration of federal programs by the Office of Information Technology Services. 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." The signature is written in a cursive style with a large initial 'R' and a trailing flourish.

Ralph Campbell, Jr.  
State Auditor

## **DISTRIBUTION OF AUDIT REPORT**

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In accordance with General Statutes 147-64.5 and 147-64.6(c)(14), copies of this report have been distributed to the public officials listed below. Additional copies are provided to other legislators, state officials, the press, and the general public upon request.

### **EXECUTIVE BRANCH**

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  
Mr. George Bakolia

Governor of North Carolina  
Lieutenant Governor of North Carolina  
State Treasurer  
Attorney General  
State Budget Officer  
State Controller  
State Chief Information Officer  
Office of Information Technology Services

### **LEGISLATIVE BRANCH**

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Mr. James D. Johnson

Director, Fiscal Research Division

March 18, 2004

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Copies of this report may be obtained by contacting the:

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