



Leslie W. Merritt, Jr., CPA, CFP
State Auditor

STATE OF NORTH CAROLINA
Office of the State Auditor

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September 3, 2008

Mr. Reginald Speight, Executive Director
Martin County Community Action
P.O. Box 806
Williamston, NC 27892-0806

RE: State Grants from the Department of Health and Human Services
State Fiscal Year 2005, \$2,641,397
State Fiscal Year 2006, \$2,506,755
State Fiscal Year 2007, \$2,953,262

Dear Mr. Speight:

This report presents the results of our fiscal control audit of Martin County Community Action. Our work was performed by authority of Article 5A of Chapter 147 of the North Carolina General Statutes and was conducted in accordance with the standards contained in Government Auditing Standards, issued by the Comptroller General of the United States.

The objective of a fiscal control audit is to identify improvements needed in internal control over selected fiscal matters, such as financial accounting and reporting; compliance with finance-related laws, regulations, and provisions of contracts or grant agreements; and/or management of financial resources. North Carolina statutes authorize the Office of the State Auditor to have ready access to all records related to State and Federal funds. See N.C.G.S. § 143C-6-23.

To accomplish audit objectives, we gained an understanding of internal control over matters described above and evaluated the design of the internal control. We then performed further audit procedures consisting of tests of control effectiveness and/or substantive procedures that may reveal significant deficiencies in internal control.

Procedures included, but were not limited to, interviewing personnel; examining accounting and other grant records for the purpose of identifying state grant transactions; reviewing available policies and procedures; and reviewing available board minutes.

We examined internal control designed to ensure that Martin County Community Action used the grant funds for their intended purpose. The results of the audit conducted August 18 through August 19, 2008 did not disclose internal control deficiencies, instances of noncompliance and/or other matters of concern that are considered reportable under Government Auditing Standards.

Since no significant matters of concern were detected, we do not require a response from your entity.

This letter will be published on-line at www.ncauditor.net. You and others who are interested in the publication should register on the web site to receive an email notification and a link to the publication as soon as it is available.

Sincerely,



Leslie W. Merritt, Jr., CPA, CFP
State Auditor

LWMjr/jef

CC: Secretary Dempsey Benton
Department of Health and Human Services
Dr. Leah Devlin, Director
Division of Public Health
Ms. Sherry Bradsher, Director
Division of Social Services
Mr. Zack Hamlett, Director
Office of Economic Opportunity
Ms. Laketha Miller, Controller
Department of Health and Human Services