

FINANCIAL STATEMENT AUDIT REPORT OF
AVERY COUNTY
PARTNERSHIP FOR CHILDREN, INC.
NEWLAND, NORTH CAROLINA
FOR THE YEAR ENDED JUNE 30, 2001

PERFORMED UNDER CONTRACT WITH THE
NORTH CAROLINA OFFICE OF STATE AUDITOR
RALPH CAMPBELL, JR.

**FINANCIAL STATEMENT AUDIT REPORT OF
AVERY COUNTY PARTNERSHIP FOR CHILDREN, INC.**

NEWLAND, NORTH CAROLINA

FOR THE YEAR ENDED JUNE 30, 2001

BOARD OF DIRECTORS

TOM BLEDSOE, CHAIRMAN

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KATE GAVENUS, EXECUTIVE DIRECTOR



Ralph Campbell, Jr.
State Auditor

STATE OF NORTH CAROLINA

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AUDITOR'S TRANSMITTAL

The Honorable Michael F. Easley, Governor
The General Assembly of North Carolina
Board of Directors, Avery County Partnership for Children, Inc.

This report presents the results of the financial statement audit of the Avery County Partnership for Children, Inc. for the year ended June 30, 2001. Crisp Hughes Evans LLP performed the audit under contract with the Office of the State Auditor, and their report is submitted herewith.

The audit of the Avery County Partnership for Children, Inc. was made in conjunction with the Early Childhood Initiatives (Smart Start) program authorized by G.S. 143B-168.10-.16. This statute created the North Carolina Partnership for Children, Inc. and required the implementation of local partnerships. The Avery County Partnership for Children, Inc. is one of these local partnerships. As such, the Avery County Partnership for Children, Inc. is a private nonprofit 501(c)(3) organization and is required by G.S. 143B-168.14 to have an annual financial and compliance audit conducted by the State Auditor. The State Auditor's authority to perform or coordinate all audit functions for state government is set forth in Article 5 of Chapter 147 of the North Carolina General Statutes.

The significant Smart Start expansion authorized in the 1998 fiscal year almost doubled the related audit burden placed on the Office of the State Auditor. Therefore, the General Assembly, in its 1998-99 Expansion Budget, gave recognition to the resources needed to provide the audit oversight required by statute. Those resources incorporated a combination of permanent positions and contract funding to make the Smart Start audit effort self-sustaining.

North Carolina General Statutes require the State Auditor to make audit reports available to the public. Copies of all 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 "Ralph Campbell, Jr.".

Ralph Campbell, Jr.
State Auditor

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Avery County Partnership for Children, Inc.
Newland, North Carolina

We have audited the accompanying Statement of Receipts, Expenditures, and Net Assets - Regulatory Basis of the Avery County Partnership for Children, Inc. (Avery County Partnership) as of June 30, 2001, and the related Statement of Functional Expenditures - Regulatory Basis for the year then ended. These financial statements are the responsibility of the Avery County Partnership's management. Our responsibility is to express an opinion on these financial statements 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 financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the accompanying financial statements were prepared on the regulatory basis of accounting as prescribed by the North Carolina Partnership for Children, Inc., which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of the Avery County Partnership for Children, Inc. as of June 30, 2001, and the results of its operations for the year then ended, on the basis of accounting described in Note 1.

INDEPENDENT AUDITORS' REPORT (CONCLUDED)

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2002 on our consideration of the Avery County Partnership's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with the independent auditors' report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Avery County Partnership for Children, Inc. taken as a whole. The accompanying supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in these schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the management of the partnership, the North Carolina Partnership for Children, Inc., the Governor, and the General Assembly and is not intended to be, and should not be, used by anyone other than these specified parties.

January 16, 2002

Crisp Hughes Evans LLP

Avery County Partnership for Children, Inc.

*Statement of Receipts, Expenditures, and Net Assets - Regulatory Basis
For the Year Ended June 30, 2001*

Exhibit A

	Unrestricted Funds		Temporarily Restricted Funds	Total Funds
	Smart Start Fund	Other Funds		
Receipts:				
State Awards (less refunds of \$1,691)	\$ 401,695	\$ 63,646	\$ -	\$ 465,341
Federal Awards	-	30,144	-	30,144
Private Contributions	-	26,398	309	26,707
Special Fund Raising Events	-	13,121	-	13,121
Interest and Investment Earnings	-	1,325	-	1,325
Sales Tax Refunds	-	1,952	-	1,952
Loan Proceeds	-	17,000	-	17,000
Total Receipts	<u>401,695</u>	<u>153,586</u>	<u>309</u>	<u>555,590</u>
Expenditures:				
Programs:				
Child Care and Education Quality	106,148	30,470	-	136,618
Child Care and Education Accessibility and Availability	52,594	6,291	-	58,885
Child Care and Education Affordability	63,623	2,370	-	65,993
Health and Safety	3,000	78,800	-	81,800
Family Support	55,986	2,359	-	58,345
Support:				
Management and General	112,000	31,265	-	143,265
Program Evaluation	9,977	-	-	9,977
Other:				
Sales Tax Paid	-	1,256	-	1,256
Total Expenditures	<u>403,328</u>	<u>152,811</u>	<u>-</u>	<u>556,139</u>
Excess of Receipts Over (Under) Expenditures	(1,633)	775	309	(549)
Net Assets at Beginning of Year	<u>12,529</u>	<u>31,168</u>	<u>-</u>	<u>43,697</u>
Net Assets at End of Year	<u>\$ 10,896</u>	<u>\$ 31,943</u>	<u>\$ 309</u>	<u>\$ 43,148</u>
Net Assets Consisted of:				
Cash on Deposit	<u>\$ 10,896</u>	<u>\$ 31,943</u>	<u>\$ 309</u>	<u>\$ 43,148</u>

The accompanying notes are an integral part of these statements.

Avery County Partnership for Children, Inc.
Statement of Functional Expenditures - Regulatory Basis
For the Year Ended June 30, 2001

Exhibit B

	Total	Personnel	Contracted Services	Supplies and Materials	Other Operating	Fixed Charges and Other	Property and Equipment Outlay	Services/ Contracts/ Grants	Participant Training
Smart Start Fund:									
Programs:									
Child Care and Education Quality	\$ 106,148	\$ 14,237	\$ 57,614	\$ 969	\$ 3,002	\$ 2,153	\$ 2,500	\$ 25,155	\$ 518
Child Care and Education Accessibility and Availability	52,594	21,527	-	-	136	337	-	30,594	-
Child Care and Education Affordability	63,623	-	-	333	-	-	-	63,290	-
Health and Safety	3,000	-	-	1,725	75	-	-	1,200	-
Family Support	55,986	25,523	893	5,348	4,935	2,297	250	16,740	-
Support:									
Management and General	112,000	88,402	2,660	1,447	13,202	6,289	-	-	-
Program Evaluation	9,977	5,102	400	414	1,442	260	2,359	-	-
Total Smart Start Fund Expenditures	\$ 403,328	\$ 154,791	\$ 61,567	\$ 10,236	\$ 22,792	\$ 11,336	\$ 5,109	\$ 136,979	\$ 518
Other Funds:									
Programs:									
Child Care and Education Quality	\$ 30,470	\$ 15,750	\$ 2,575	\$ 688	\$ 3,542	\$ 4,309	\$ -	\$ -	\$ 3,628
Child Care and Education Accessibility and Availability	6,291	-	-	-	-	-	-	6,291	-
Child Care and Education Affordability	2,370	-	-	-	-	-	-	2,370	-
Health and Safety	78,800	36,355	4,467	14,911	7,914	2,305	2,538	10,310	-
Family Support	2,359	-	1,313	-	820	40	-	186	-
Support:									
Management and General	31,265	2,053	9,443	3,980	7,353	4,372	3,595	103	366
Other:									
Sales Tax Paid	1,256	-	-	1,256	-	-	-	-	-
Total Other Funds Expenditures	\$ 152,811	\$ 54,158	\$ 17,798	\$ 20,813	\$ 19,629	\$ 11,026	\$ 6,133	\$ 19,260	\$ 3,994

The accompanying notes are an integral part of these statements.

AVERY COUNTY PARTNERSHIP FOR CHILDREN, INC.
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2001

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Purpose - The Avery County Partnership for Children, Inc. (Avery County Partnership) is a legally separate nonprofit organization incorporated on September 20, 1994. The Avery County Partnership was established to develop and provide, through public and private means, early childhood education and developmental services for children and families. The Avery County Partnership is tax-exempt as an organization described in Section 501(c)(3) of the Internal Revenue Code.

B. Basis of Presentation - The accompanying financial statements present all funds for which the Avery County Partnership's Board of Directors is responsible. In accordance with Statement of Financial Accounting Standards (SFAS) No. 117 "Financial Statements of Not-For-Profit Organizations," the accompanying financial statements present information according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by this Statement, temporarily restricted contributions received and expended in the same year are reported as unrestricted receipts rather than as temporarily restricted receipts.

Contributions that are temporarily restricted and not expended within the year received are reported as an increase in temporarily restricted net assets. When the restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of receipts, expenditures, and net assets as net assets released from restrictions.

The Avery County Partnership did not have any permanently restricted net assets at June 30, 2001.

C. Basis of Accounting - The accompanying financial statements were prepared on the regulatory basis of accounting as prescribed by the North Carolina Partnership for Children, Inc. This basis differs from accounting principles generally accepted in the United States of America, primarily because it recognizes long lived assets and other costs which benefit more than one period as expended in the year purchased; it recognizes revenue when received rather than when earned; and it recognizes expenditures when paid rather than when incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

D. Use of Estimates - The financial statements include estimates and assumptions made by management for the allocation of joint costs. It is management's belief that these estimates are reasonable and fair.

NOTE 2 - DEPOSITS

All funds of the Avery County Partnership are deposited with two commercial banks and insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000 per bank. Deposits over this amount subjects the Avery County Partnership to a concentration of credit risk.

NOTE 3 - FUNDING FROM GRANT AWARDS

Smart Start Program - The Avery County Partnership's major source of revenue and support is from the State of North Carolina based on cost-reimbursement contracts with the North Carolina Partnership for Children, Inc. (NCPC) for the Smart Start Program. A significant reduction in the level of funding from the State could have an adverse effect on the operations of the Avery County Partnership and represents a concentration of credit risk as to the generation of revenue.

Associated with these contracts, the Avery County Partnership is responsible for developing a comprehensive, collaborative, long-range plan of services to children and families for the service-delivery area. During the year, the Department of Health and Human Services (DHHS) entered into contracts with and made payments to service providers selected by the Avery County Partnership. These service provider contracts are not reflected on the accompanying financial statement. However, a summary of the service provider contracts entered into by DHHS is presented on Schedule 2 accompanying the financial statements.

The Avery County Partnership was awarded and has received \$403,386 under a current year Smart Start contract with NCPC. The unexpended balance of this contract is subject to reversion to the State. The Partnership has returned \$58 of this contract to the State based on financial status reports submitted to NCPC subsequent to June 30, 2001.

The Partnership expects to receive continued funding through new Smart Start contracts with the State.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - RELATED PARTY TRANSACTIONS

Service Provider Contracts with Board Member Organizations - The board members of the Avery County Partnership are representative of various organizations that benefit from actions taken by the Board. It is the policy of the Avery County Partnership that board members not be involved with decisions regarding organizations they represent. During the year, the Partnership entered into contracts with board member organizations for program activities as identified on Schedule 1 accompanying the financial statements. In addition, Schedule 2 identifies contracts entered into by DHHS with board member organizations for activities funded by the Partnership's Smart Start Allocation.

NOTE 5 - FUNCTIONAL EXPENDITURES

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Receipts, Expenditures, and Net Assets - Regulatory Basis. Also, the Statement of Functional Expenditures - Regulatory Basis provides detail of the functional costs by their natural classification. Following are the services associated with the functional categories presented in the accompanying financial statements and the methods utilized to allocate joint cost:

A. Program Functions

Child Care and Education Quality - Used to account for service activities including quality enhancement grants, early education enhancement programs, comprehensive child care resource and referral, salary supplements, provider training, child care provider support, health and safety training for child care professionals, special needs training for child care professionals, resources and materials, curriculum enhancement, health and safety intervention in child care, environmental assessment, outreach materials, information and resources, and outreach plan to assess services.

Child Care and Education Accessibility and Availability - Used to account for service activities including inclusion support, increase child care spaces, outreach materials, information and resources, or outreach plan to assess services.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Child Care and Education Affordability - Used to account for service activities including expand child care eligibility, eliminate waiting list, public preschool classes, comprehensive child care cost supports, Head Start classrooms, transportation to child care, outreach materials, information and resources and outreach plan to assess services.

Health and Safety - Used to account for service activities including speech and hearing screenings, vision screenings, transportation to health services, outreach materials, information and resources and outreach plan to assess services.

Family Support - Used to account for service activities including special needs - family support, family literacy, transportation services, outreach materials, information and resources and outreach plan to assess services.

B. Support Functions

Management and General - Expenditures that are not identifiable with a single program or fund-raising activity but are indispensable to the conduct of those activities and to an organization's existence, including expenditures for the overall direction of the organization, its general board activities, business management, general recordkeeping, budgeting, and related purposes.

Program Evaluation - Expenditures that are incurred to monitor the performance of service providers as to the delivery of services and adherence to the specific terms and conditions of the contracts.

C. Allocation of Joint Costs

Expenditures benefiting more than one purpose were allocated as follows:

Salaries and Benefits - Allocated based on estimated time spent by employees for each function supported by employee time reports.

Other Costs - Other costs including occupancy cost (rent, utilities and maintenance), supplies and materials, communication costs (telephone and printing), and depreciation expenditures were allocated based on utilization data.

NOTES TO THE FINANCIAL STATEMENTS (CONCLUDED)

NOTE 6 - COMMITMENTS AND CONTINGENCIES

A. Leases - The following is a schedule by years of future minimum rental payments required under leases that have noncancelable lease terms as of June 30, 2001:

<u>Fiscal Year</u>	<u>Operating Leases</u>
2002	\$ 11,850
2003	8,025
2004	8,325
2005	<u>2,100</u>
Total Minimum Lease Payments	\$ <u>30,300</u>

Total rental expenditure for all operating leases was \$12,682 for the year ended June 30, 2001.

B. Loan Commitment - The Avery County Partnership has a line of credit with a balance of \$16,900 at June 30, 2001 that is secured by a checking account and payable to a local bank. The line of credit was repaid in full in August of 2001 including interest of \$296.

NOTE 7 - PENSION PLAN

IRC Section 403(b) - All permanent employees who are at least half-time can participate in a tax sheltered annuity plan created under Internal Revenue Code Section 403(b). The employee's eligible contributions, made through salary reduction agreements, are exempt from federal and state income taxes until the annuity is received or the contributions are withdrawn. All costs of administering and funding this plan are the responsibility of the plan. No costs are incurred by the Avery County Partnership. The voluntary contributions by employees amounted to \$4,985 during the year ended June 30, 2001.

NOTE 8 - RESTRICTIONS ON NET ASSETS

Temporarily Restricted Net Assets - All temporarily restricted net assets at June 30, 2001, are available for the Hispanic Outreach Program.

Avery Partnership for Children, Inc.
Schedule of Contract and Grant Expenditures - Regulatory Basis
For the Year Ended June 30, 2001

Schedule 1

Organization Name	Smart Start Fund		Other Funds	
	Amount Advanced	Refund Due	Amount Advanced	Refund Due
Avery County Public School System *	\$ 8,000	\$ -	\$ -	\$ -
Avery County Transportation *	3,200	-	-	-
Avery Health Care Systems	1,200	-	-	-
Level Bonus - Various Daycare Organizations	63,290	-	2,370	-
Parent to Parent / Family Support Network of the High Country	8,740	-	-	-
Quality Grants - Various Organizations	25,155	-	-	-
Individuals:				
Scholarships/ Bonus Awards	27,394	-	16,601	-
Various Individuals	-	-	289	-
	\$ 136,979	\$ -	\$ 19,260	\$ -

* These organizations are represented on the Partnership's Board as described in Note 4 - Service Provider Contracts with Board Member Organizations.

See Independent Auditors' Report.

Avery County Partnership for Children, Inc.
Schedule of State Level Service Provider Contracts
For the Year Ended June 30, 2001

Schedule 2

Organization Name	DHHS Contracts
Avery County Department of Social Services	* \$ 81,037
Child Care Services Association - WAGE\$ Program	31,188
	\$ 112,225

* These organizations are represented on the Partnership's Board as described in Note 4 - Service Provider Contracts with Board Member Organizations.

The information on this schedule provides a listing of service provider contracts entered into by the Department of Health and Human Services (DHHS) as described in Note 3 - Funding From Grant Awards.

See Independent Auditors' Report.

Avery County Partnership for Children, Inc.
Schedule of Federal and State Awards - Regulatory Basis
For the Year Ended June 30, 2001

Schedule 3

<u>Federal/State Grantor/Pass-through Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Contract #</u>	<u>Receipts</u>	<u>Expenditures</u>
Federal Awards:				
U.S. Department of Health and Human Services Pass-through from the North Carolina Department of Health and Human Services - Division of Child Development				
Child Care and Development Block Grant	93.575	5843	\$ 30,144	\$ 28,417
State Awards:				
North Carolina Department of Health and Human Services - Division of Child Development Pass-through from the North Carolina Partnership for Children, Inc.				
Early Childhood Initiatives Program (Prior Year)	N/A	1-78-2-02-001A	(1,250)	-
Early Childhood Initiatives Program (Prior Year)	N/A	1-90-2-02-001	(441)	-
Early Childhood Initiatives Program (Current Year)	N/A	* 1-01-2-02-001	403,388	403,328
Multi-County Accounting and Contracting Grant	N/A	-	12,000	12,000
Quality Enhancement Project for Infants and Toddlers	N/A	5918	49,482	51,065
North Carolina Department of Public Instruction Avery Connections				
	N/A	800009684	2,164	12,285
Total State Awards			<u>465,341</u>	<u>478,678</u>
Total Federal and State Awards			<u>\$ 495,485</u>	<u>\$ 507,095</u>

* Programs with compliance requirements that have a direct and material effect on the financial statements.

See Independent Auditors' Report.

***Avery County Partnership for Children
Schedule of Property and Equipment
For the Year Ended June 30, 2001***

Schedule 4

Furniture and Non-Computer Equipment	\$	15,267
Computer Equipment/Printers		24,744
Leasehold Improvements		<u>2,500</u>
Total Property and Equipment	\$	<u>42,511</u>

Note: The information on this schedule provides a summary of property and equipment with acquisition or donated cost of \$500 or more which were held by the Partnership at year end. On the regulatory basis of accounting, these items are expensed in the year purchased.

See Independent Auditors' Report.

***Avery County Partnership for Children, Inc.
Schedule of Qualifying Match (Non-GAAP)
For the Year Ended June 30, 2001***

Schedule 5

Match Provided at the Partnership Level:

Cash	\$	26,707
In-Kind Goods and Services		<u>40,567</u>
	\$	<u>67,274</u>

Note: This schedule is presented in accordance with the program match requirement as provided for by North Carolina Session Law 1999-237, Section 11.48(l). The law allows for volunteer services to be valued for match purposes, a concept that deviates from accounting principles generally accepted in the United States of America.

See Independent Auditors' Report.

**INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Avery County Partnership for Children, Inc.
Newland, North Carolina

We have audited the financial statements of the Avery County Partnership for Children, Inc. (Avery County Partnership) as of and for the year ended June 30, 2001, and have issued our report thereon dated January 16, 2002. 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.

Compliance

As part of obtaining reasonable assurance about whether the Avery County Partnership's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Avery County Partnership's internal control over financial reporting in order to determine our auditing procedures for the purposes of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in

**INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS (CONCLUDED)**

the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the management of the partnership, the North Carolina Partnership for Children, the Governor, and the General Assembly and is not intended to be, and should not be, used by anyone other than these specified parties.

January 16, 2002

Crisp Hughes Evans LLP

DISTRIBUTION OF AUDIT REPORT

In accordance with G.S. §147-64.5 and G.S. §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.

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The Honorable Beverly M. Perdue	Lieutenant Governor of North Carolina
The Honorable Richard H. Moore	State Treasurer
The Honorable Roy A. Cooper, III	Attorney General
Mr. David T. McCoy	State Budget Officer
Mr. Robert L. Powell	State Controller
Ms. Carmen Hooker Odom	Secretary, Department of Health and Human Services
Mr. Ashley Thrift	Chairman, Board of Directors North Carolina Partnership for Children, Inc.
Ms. Karen Ponder	Executive Director North Carolina Partnership for Children, Inc.

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Senator Patrick J. Ballantine	Minority Leader of the N.C. Senate
Representative N. Leo Daughtry	Minority Leader of the N.C. House of Representatives
Representative Joe Hackney	N. C. House Speaker Pro-Tem
Mr. James D. Johnson	Director, Fiscal Research Division

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