

FINANCIAL STATEMENT AUDIT REPORT OF  
SMART START OF TRANSYLVANIA COUNTY  
BREVARD, 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**

**SMART START OF TRANSYLVANIA COUNTY**

**BREVARD, NORTH CAROLINA**

**FOR THE YEAR ENDED JUNE 30, 2001**

**BOARD OF DIRECTORS**

**MARY ANNE MIGAN, CHAIRPERSON**

**ADMINISTRATIVE OFFICER**

**VICKIE COLLIER, EXECUTIVE DIRECTOR**



Ralph Campbell, Jr.  
State Auditor

STATE OF NORTH CAROLINA

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## AUDITOR'S TRANSMITTAL

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

This report presents the results of the financial statement audit of The Transylvania 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 Transylvania 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 Transylvania County Partnership for Children, Inc. is one of these local partnerships. As such, the The Transylvania 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 black ink that reads "Ralph Campbell, Jr." in a cursive script.

Ralph Campbell, Jr.  
State Auditor

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## INDEPENDENT AUDITORS' REPORT

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Board of Directors  
Smart Start of Transylvania County  
Brevard, North Carolina

We have audited the accompanying Statement of Receipts, Expenditures, and Net Assets - Regulatory Basis of the Smart Start of Transylvania County (Transylvania 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 Transylvania 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 Smart Start of Transylvania County 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)

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In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2002 on our consideration of the Transylvania 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 auditor's 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 Smart Start of Transylvania County 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.

February 27, 2002

*Crisp Hughes Evans LLP*

***Smart Start of Transylvania County******Statement of Receipts, Expenditures, and Net Assets - Regulatory Basis  
For the Year Ended June 30, 2001******Exhibit A***

	<b>Unrestricted Funds</b>		
	<b>Smart Start Fund</b>	<b>Other Funds</b>	<b>Total Funds</b>
<b>Receipts:</b>			
State Awards (less refunds of \$100,400)	\$ 283,006	\$ 12,000	\$ 295,006
Federal Awards	-	47,437	47,437
Private Contributions	-	12,550	12,550
Interest and Investment Earnings	-	740	740
Sales tax refunds	-	249	249
<b>Total Receipts</b>	<b>283,006</b>	<b>72,976</b>	<b>355,982</b>
<b>Expenditures:</b>			
Programs:			
Child Care and Education Quality	161,809	-	161,809
Child Care and Education Affordability	30,307	-	30,307
Health and Safety	36,538	9,897	46,435
Family Support	29,161	10,331	39,492
Support:			
Management and General	100,868	55,582	156,450
Program Evaluation	22,380	-	22,380
Other:			
Sales Tax Paid	-	620	620
Refund of Prior Year Grants	-	18	18
<b>Total Expenditures</b>	<b>381,063</b>	<b>76,448</b>	<b>457,511</b>
<b>Deficiency of Receipts Over Expenditures</b>	<b>(98,057)</b>	<b>(3,472)</b>	<b>(101,529)</b>
<b>Net Assets at Beginning of Year</b>	<b>103,956</b>	<b>11,972</b>	<b>115,928</b>
<b>Net Assets at End of Year</b>	<b>\$ 5,899</b>	<b>\$ 8,500</b>	<b>\$ 14,399</b>
<b>Net Assets Consisted of:</b>			
Cash on Deposit	\$ 1,132	\$ 8,500	\$ 9,632
Refunds Due From Contractors	4,767	-	4,767
	<b>\$ 5,899</b>	<b>\$ 8,500</b>	<b>\$ 14,399</b>

The accompanying notes are an integral part of these statements.

***Smart Start of Transylvania County  
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
<b>Smart Start Fund:</b>								
<b>Programs:</b>								
Child Care and Education Quality	\$ 161,809	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 161,809
Child Care and Education Affordability	30,307	-	-	-	-	-	-	30,307
Health and Safety	36,538	-	-	-	-	-	-	36,538
Family Support	29,161	-	-	-	-	-	-	29,161
<b>Support:</b>								
Management and General	100,868	56,458	5,353	6,304	15,956	8,413	8,384	-
Program Evaluation	22,380	-	-	-	-	-	-	22,380
<b>Total Smart Start Fund Expenditures</b>	<b>\$ 381,063</b>	<b>\$ 56,458</b>	<b>\$ 5,353</b>	<b>\$ 6,304</b>	<b>\$ 15,956</b>	<b>\$ 8,413</b>	<b>\$ 8,384</b>	<b>\$ 280,195</b>
<b>Other Funds:</b>								
<b>Programs:</b>								
Health and Safety	\$ 9,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,897
Family Support	10,331	-	-	-	-	-	-	10,331
<b>Support:</b>								
Management and General	55,582	2,212	53,370	-	-	-	-	-
<b>Other:</b>								
Sales Tax Paid	620	-	-	620	-	-	-	-
Refund of Prior Year Grants	18	-	-	-	18	-	-	-
<b>Total Other Funds Expenditures</b>	<b>\$ 76,448</b>	<b>\$ 2,212</b>	<b>\$ 53,370</b>	<b>\$ 620</b>	<b>\$ 18</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,228</b>

The accompanying notes are an integral part of these statements.



**SMART START OF TRANSYLVANIA COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

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**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

**A. Organization and Purpose** - The Smart Start of Transylvania County (Transylvania Partnership) is a legally separate nonprofit organization incorporated on April 1, 1996. The Transylvania Partnership changed its name from the Transylvania County Partnership for Children, Inc. effective December 4, 2000. The Transylvania Partnership was established to develop and provide, through public and private means, early childhood education and developmental services for children and families. The Transylvania 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 Transylvania 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.

The Transylvania Partnership did not have any temporarily or 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.

However, unexpended advances to contractors that revert back to the State are recognized as a reduction to expenditures and an increase to net assets.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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**D. Refunds Due From Contractors** - Refunds due from contractors represent the unexpended amount of advances to contractors at year end which are to be refunded back to the State. As recoveries are collected, the receivable balance is reduced. Payments to the State for the recovered advances are recorded as a reduction to the state awards balance.

### NOTE 2 - DEPOSITS

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

### NOTE 3 - FUNDING FROM GRANT AWARDS

**Smart Start Program** - The Transylvania 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 Transylvania Partnership and represents a concentration of credit risk as to the generation of revenue.

Associated with these contracts, the Transylvania 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 Transylvania Partnership. These service provider contracts are not reflected on the accompanying financial statements. However, a summary of the service provider contracts entered into by DHHS is presented on Schedule 2 accompanying the financial statements.

The Transylvania Partnership was awarded and has received \$383,406 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 \$5,000 of this contract to the State based on financial status reports submitted to NCPC prior to June 30, 2001 and \$5,899 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)

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### NOTE 4 - RELATED PARTY TRANSACTIONS

**Service Provider Contracts with Board Member Organizations** - The board members of the Transylvania Partnership are representative of various organizations that benefit from actions taken by the Board. It is the policy of the Transylvania 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:

#### A. Program Functions

**Child Care and Education Quality** - Used to account for service activities including quality enhancement grants, professional development, and salary supplements.

**Child Care and Education Affordability** - Used to account for service activities including expand child care eligibility, eliminate waiting list, child care coordinator, comprehensive child care cost supports, and supplement for quality.

**Health and Safety** - Used to account for service activities associated with comprehensive dental services.

**Family Support** - Used to account for service activities associated with parenting education.

## NOTES TO THE FINANCIAL STATEMENTS (CONCLUDED)

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### **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.

### **NOTE 6 - PENSION PLAN**

The Transylvania Partnership has a defined contribution plan covering all employees. Each full-time employee of the Transylvania Partnership, as a condition of employment, is provided an individual annuity through an outside insurance company. The Transylvania Partnership contributed 6% of gross wages for the year ended June 30, 2001. The Transylvania Partnership does not own the annuities nor is liable for any other cost other than the required contribution.

For the year ended June 30, 2001, the Transylvania Partnership had a total payroll of \$48,333, \$43,550 of which is covered under the plan. The Partnership contributed \$2,613 for pension benefits during the year.

***Smart Start of Transylvania County  
Schedule of Contract and Grant Expenditures - Regulatory Basis  
For the Year Ended June 30, 2001***

***Schedule 1***

<b>Organization Name</b>	<b>Smart Start Fund</b>		<b>Other Funds</b>	
	<b>Amount Advanced</b>	<b>Refund Due</b>	<b>Amount Advanced</b>	<b>Refund Due</b>
Communities in Schools	\$ 12,600	\$ (2,748)	\$ -	\$ -
Orelena Hawks Puckett Institute	153,219	(1,262)	-	-
RLS and Associates	8,556	-	-	-
The Children's Center	-	-	10,331	-
The Family Place	20,605	-	-	-
Transylvania County Child Development	* 30,307	-	-	-
Transylvania County Health Department	* 37,295	(757)	9,897	-
<b>Individuals:</b>				
Program Evaluator	22,380	-	-	-
	<b>\$ 284,962</b>	<b>\$ (4,767)</b>	<b>\$ 20,228</b>	<b>\$ -</b>

\* 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.

***Smart Start of Transylvania County  
Schedule of State Level Service Provider Contracts  
For the Year Ended June 30, 2001***

***Schedule 2***

<b>Organization Name</b>	<b>DHHS Contracts</b>
Child Care Services Association - WAGE\$ Program	\$ 41,000
Transylvania County Department of Social Services	* 144,133
	<b>\$ 185,133</b>

\* 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.

***Smart Start of Transylvania County******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>
<b>Federal Awards:</b>				
U.S. Department of Health and Human Services Pass-through from the University of North Carolina at Chapel Hill School of Public Health Quality Enhancement Project for Infants and Toddlers	93.575	5918	\$ 47,437	\$ 43,582
<b>Total Federal Awards</b>			<u>47,437</u>	<u>43,582</u>
<b>State Awards:</b>				
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	1-90-5-33-001	(95,400)	<sup>^</sup> 8,556
Early Childhood Initiatives Program (Current Year)	N/A	* 1-01-5-30-001	383,406	372,507
Early Childhood Initiatives Program (Current Year)	N/A	* 1-01-5-30-001	(5,000)	-
Multi-County Accounting and Contracting Grant	N/A	-	<u>12,000</u>	<u>12,000</u>
<b>Total State Awards</b>			<u>295,006</u>	<u>393,063</u>
<b>Total Federal and State Awards</b>			<u>\$ 342,443</u>	<u>\$ 436,645</u>

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

<sup>^</sup> Amounts represent checks prepared and held at June 30, 2000. A journal entry was made in the prior year to reduce expenditures, however, the final FSR was not amended. This year the checks were released and the expenditures recognized.

See Independent Auditors' Report.

***Smart Start of Transylvania County  
Schedule of Property and Equipment  
For the Year Ended June 30, 2001***

***Schedule 4***

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Furniture and Non-Computer Equipment	\$ 6,489
Computer Equipment/Printers	7,937
Leasehold Improvements	<u>1,290</u>
Total Property and Equipment	<u>\$ 15,716</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.



***Smart Start of Transylvania County  
Schedule of Qualifying Match (Non-GAAP)  
For the Year Ended June 30, 2001***

***Schedule 5***

***Match Provided at the Partnership Level:***

Cash	\$ 12,550
In-Kind Goods and Services	<u>14,107</u>
	<u>\$ 26,657</u>

***Match Provided at the Contractor Level:***

Cash	\$ 13,821
In-Kind Goods and Services	<u>37,072</u>
	<u>\$ 50,893</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**

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Board of Directors  
Smart Start of Transylvania County  
Brevard, North Carolina

We have audited the financial statements of the Smart Start of Transylvania County (Transylvania Partnership) as of and for the year ended June 30, 2001, and have issued our report thereon dated February 27, 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 Transylvania 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 Transylvania 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. A

**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)**

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reportable condition involves a matter coming to our attention relating to a significant deficiency in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Transylvania Partnership's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. This reportable condition, noted as a result of our audit, is described in the Audit Findings and Recommendations section of this report:

**Finding**

**1. MONITORING AND EVALUATING SERVICE PROVIDER CONTRACTS**

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 the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

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.

February 27, 2002

*Crisp Hughes Evans LLP*

## AUDIT FINDINGS AND RECOMMENDATIONS

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**Other Observations and Recommendations from the Prior Audit** - The following presents the status of other observations and recommendations presented in the prior year audit report.

### 1. CASH MANAGEMENT

During the prior year audit, it was noted that three checks had been prepared but not issued in a timely manner.

***This finding is resolved.*** All checks were prepared and issued in a timely manner during the current year.

**Finding and Recommendation from the Current Audit** - The following presents a finding and recommendation, determined during the current audit, which represents a significant deficiency in internal controls.

### 2. MONITORING AND EVALUATING SERVICE PROVIDER CONTRACTS

We noted that there was no monitoring of director service providers throughout the year. Also, there were no written policies and procedures for monitoring director service providers for the year ended June 30, 2001.

***Recommendation:*** We recommend the Transylvania Partnership develop and implement written policies and procedures for contract monitoring. These policies and procedures may include the following:

- Reviewing contracts to determine which programs are conducted with grant monies.
- Visiting subcontractors and documenting the results of each visit.
- Document the evaluator's observation of whether the objectives identified in the contract were accomplished.
- Reviewing monthly and quarterly reports required to be submitted by each subcontractor.

***Partnership's Response:*** The Transylvania Partnership adopted written policies and procedures for monitoring direct service providers in October 2001.

## **DISTRIBUTION OF AUDIT REPORT**

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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.

### **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  
Ms. Carmen Hooker Odom  
Mr. Ashley Thrift

Governor of North Carolina  
Lieutenant Governor of North Carolina  
State Treasurer  
Attorney General  
State Budget Officer  
State Controller  
Secretary, Department of Health and Human Services  
Chairman, Board of Directors  
North Carolina Partnership for Children, Inc.  
Executive Director  
North Carolina Partnership for Children, Inc.

Ms. Karen Ponder

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Representative N. Leo Daughtry  
Representative Joe Hackney  
Mr. James D. Johnson

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Majority Leader of the N.C. Senate  
Minority Leader of the N.C. Senate  
Minority Leader of the N.C. House of Representatives  
N. C. House Speaker Pro-Tem  
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