



Deficiencies in Internal Control

Policy Area: Internal Control	Effective Date: 7/21/2009
Policy Sub Area: N/A	Last Revision Date: N/A
Authority: G.S. 143D-7	Policy Owner/Division: Risk Mitigation Services

Policy

North Carolina General Statute §143D-7 provides that “The management of each State agency bears full responsibility for establishing and maintaining a proper system of internal control within that agency.”

State agencies must make satisfactory progress in resolving deficiencies in internal control determined by the Office of the State Auditor, an agency internal auditor, a federal audit agency, or other external auditor. The State Controller may periodically request that state agencies provide copies of audit reports issued, as well as reports on actions planned and taken to resolve any reported deficiencies. If determined by the State Controller that satisfactory progress in resolving any deficiencies has not been made within a reasonable period from the date the audit report was received by the State agency, the State Controller shall consult with the State Auditor and may recommend that disciplinary action, as authorized by North Carolina General Statute §143D-12, be pursued.

Procedures

None Noted.

Accounting Guidance

None noted.

Related Documents (Memos/Forms)

None noted.

Revision History

Date	Description