



State of North Carolina Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

March 22, 2004

MEMORANDUM NO. FSD 040009

TO: Chief Fiscal Officers
University Vice Chancellors

FROM: Don Waugh, Assistant State Controller
Office of the State Controller

SUBJECT: Announcement of New Auditor for Recovery of Overpayments Audit of Fiscal Year 2003

The Office of the State Controller (OSC) was mandated by the 1998 General Assembly Session Law 1998-212, Section 26.1. to contract with a third party to perform an "audit and collection process of inadvertent overpayments by State agencies to vendors as the result of pricing errors, neglected rebates and discounts, miscalculated freight charges, unclaimed refunds, erroneously paid excise taxes and related errors." The OSC has decided to exercise the final year of the contract renewal option with the PRG Schultz USA, International to continue the audit with a review of the fiscal year 2003 (July 1, 2002 through June 30, 2003) as announced in Memorandum FSD 040005 dated February 4, 2004.

The PRG-Schultz has introduced a new auditor, Jim Baker, for this fiscal year's audit. Mr. Baker will begin the audit on March 29, 2004 and will be contacting your agency with requests for information and documentation as he reviews your agency's accounts payable data. Therefore, agencies and universities are requested to make available their accounts payable invoice documentation for the fiscal year 2003 audit period in accordance with provisions of this audit. If you have any questions or concerns, please contact Barbara Roper at (919) 981-5412 or proper@mail.osc.state.nc.us at the Office of the State Controller.

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