

14B NCAC 15A .0907 ANNUAL INDEPENDENT FINANCIAL AUDIT

(a) Each local board shall have its accounts audited after the close of each fiscal year by an independent certified public accountant. The auditor shall be selected by and report to the local board. The audit contract shall be on a form provided by the Commission. The audit contract shall include a definition of the scope of work, a requirement that the audit be conducted in accordance with generally accepted auditing standards, and a requirement that all audited financial statements be prepared in accordance with GASB Statement 34. The audit report is due to the Commission 90 days after the end of the fiscal year. The financial officer shall ensure one unbound copy of the audit report and management letter is filed with the Commission.

(b) Each officer and employee of the local board having custody of public money or responsibility for keeping records of financial or fiscal affairs shall produce books and records requested by the auditor or the Commission and shall divulge any information relating to fiscal affairs as requested. If any member of the local board or any employee conceals, falsifies or refuses to deliver or divulge any books, records, or information with intent to mislead the auditor or impede or interfere with the audit, that individual is subject to removal for cause pursuant to G.S. 18B-203(a)(8).

(c) Each local board shall disclose the distribution of profits, including all distributions made pursuant to G.S. 18B-805, in a schedule to be included with the annual audited financial statements. The schedule shall be supported by a listing of each person who receives moneys from the local board, the date of payment and, if applicable, the purpose for which the payment was made and restrictions on use of the payment. The listing shall provide the same totals as were used in the schedule for each type of distribution.

*History Note: Authority G.S. 18B-100; 18B-203(a)(8); 18B-207; 18B-702(s),(u);
Eff. May 1, 1984;
Amended Eff. November 1, 2010;
Transferred and Recodified from 04 NCAC 02R .0907 Eff. August 1, 2015;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 22,
2015;
Amended Eff. December 1, 2019.*