

20 NCAC 03 .0406 APPROVAL OF FINANCE OFFICER ACTING AS TAX COLLECTOR

(a) Application for approval for the finance officer to serve concurrently as tax collector shall be made to the Commission at its mailing address.

(b) The application shall include a letter from the chief executive officer of the governmental unit containing as a minimum:

- (1) justification for the request;
- (2) the procedures of the internal control system which will affect the problems arising from the two offices being held by one person, including an organizational chart where more than two persons perform duties of the two functions;
- (3) the amount of the surety bonds to be requested for each office, and how the penal sums were calculated;
- (4) two certified copies of an extract of the minutes of the governing body relating to the resolution in Subdivision (c) of this Rule as an attachment.

(c) The governing body of the governmental unit shall adopt a resolution appointing the recommended person as finance officer and as tax collector effective upon receipt of the written permission of the Secretary and requesting such permission of the Secretary. The said resolution shall also contain a requirement that the internal control procedures be sufficient to prevent improper handling of public funds. Local Government Commission Form 208 shall be provided by the Commission to fulfill the requirements of this Rule.

(d) The Secretary may require a conference between the officials of the governmental unit and the staff of the Commission. The Secretary may also require an investigation of the internal control and accounting system by a representative of the Commission.

(e) The Secretary will consider the following factors:

- (1) the necessity and expediency of the dual appointment,
- (2) the adequacy of the internal control system,
- (3) the qualifications of the appointee,
- (4) the tax collecting policies and procedures,
- (5) audit reports and other information in the file of the Commission,
- (6) any other factors the Secretary deems appropriate.

The Secretary shall thereafter decide to approve or to disapprove the application.

(f) If the application is approved, the Secretary shall furnish the governmental unit written permission which shall include:

- (1) The term of the approval shall be the lesser of:
 - (A) the remaining tenure of the appointee as tax collector, or
 - (B) three years from the date of the approval;
- (2) The bonds of the appointee shall not be reduced or the level of internal control reduced from those specified in the application.

(g) If the application is disapproved, the Secretary shall immediately notify the governing unit.

*History Note: Authority G.S. 159-3(f);
Eff. February 1, 1976;
Readopted Eff. September 23, 1977;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. January 9, 2018.*