

April 17, 2007

H 1551. STATE GOV'T ACCOUNTABILITY/ INTERNAL CONTROL ACT. Filed 4/17/07. *TO ENACT THE STATE GOVERNMENTAL ACCOUNTABILITY AND INTERNAL CONTROL ACT; TO ESTABLISH INTERNAL CONTROL STANDARDS FOR STATE GOVERNMENT; TO BOLSTER STATE GOVERNMENT INTERNAL AUDIT ACTIVITIES; AND TO INCREASE FISCAL ACCOUNTABILITY WITHIN STATE GOVERNMENT.*

Enacts new GS Chapter 143D, the State Governmental Accountability and Internal Control Act, for purposes indicated in title. Directs the State Controller, in consultation with the State Auditor, to establish a strong and effective system of internal control (GS 143D-6). Provides guidelines for agency management responsibilities (GS 143D-7) and Internet control documentation (GS 143D-8). Beginning July 1, 2008, and every biennium thereafter, requires each state agency without an internal audit function to evaluate its need for an internal audit function in a manner prescribed by the State Controller and to document the results of the evaluation. Provides guidelines regarding internal audit requirements for state agencies including the University of North Carolina System and the Community College System (GS 143D-11). Prescribes duties of an internal auditor (GS 143D-12) and establishes the process for setting internal auditing standards, policies, and procedures (GS 143D-13). Provides that an internal auditor must maintain a complete file of audit reports and other documents issued under the internal auditor's authority for ten years; directs that internal audit work papers be kept confidential; and provides that audit reports be public records to the extent that they do not contain information otherwise categorized as confidential under state law (GS 143D-14). Directs the State Controller to establish a mechanism for statewide coordination of internal audit resources (GS 143D-15) and, in coordination with the State Auditor, to establish a mechanism for the reporting and investigation of violations of the provisions of GS Chapter 143D (GS 143D-20). Provides for penalties for an employee paid from state funds or employed by a state agency who violates the requirement of the Chapter (GS 143D-21). Effective January 1, 2008.

Intro. by Underhill, Goforth.

GS 143D

May 3, 2007

H 1551. STATE GOV'T ACCTABILITY/INTERNAL CONTROL ACT. Filed 4/17/07. House committee substitute makes the following changes to 1st edition. Removes proposed Article 3, Internal Audit Activities, and removes references to internal audit activities throughout the bill. Makes a conforming title change.

September 4, 2007

SL 2007-520 (H 1551). STATE GOVERNMENT ACCOUNTABILITY/INTERNAL CONTROL ACT. *AN ACT TO ENACT THE STATE GOVERNMENTAL ACCOUNTABILITY AND INTERNAL CONTROL ACT; TO ESTABLISH INTERNAL CONTROL STANDARDS FOR STATE GOVERNMENT; AND TO INCREASE FISCAL ACCOUNTABILITY WITHIN STATE GOVERNMENT.* Summarized in *Daily Bulletin* 4/17/07 and 5/3/07. Enacted August 31, 2007. Effective January 1, 2008.