



Policy Area: **Internal Control**

Title: Certification of Internal Control

Effective Date: 7/1/2008

Authority: North Carolina General Statute §143D-7 provides that “Each principal executive officer and each principal fiscal officer shall annually certify, in a manner prescribed by the State Controller, that the agency has in place a proper system of internal control.”

Policy: The State agency Principal Executive Officer and Principal Fiscal Officer will certify, in writing, upon completion of the annual assessment of internal control and as further prescribed by the State Controller, that the signing officers:

- Are responsible for establishing and maintaining internal controls;
- Have designed such internal controls to ensure that material information relating to the State agency is made known to such officers by others within the State agency particularly during the period in which financial reports are being prepared;
- Have evaluated the effectiveness of the State agency’s internal controls as of the latest fiscal year-end;
- Have presented herein the certification their conclusions about the effectiveness of internal controls based on their latest evaluation; and
- Have disclosed to the State agency’s external and internal auditors and audit committee of the board of directors (or persons fulfilling the equivalent function):
 - All significant deficiencies in the design or operation of internal controls which could adversely affect the State agency’s ability to record, process, summarize, and report financial data and have identified for the State agency’s auditors any material weaknesses in internal controls; and
 - Any fraud, whether or not material, that involves management or other employees who have a significant role in the State agency’s internal controls.

Annual certifications must be supported by, and consistent with, the results of the agency’s annual evaluation of internal control.

[\(Return to EAGLE Policies and Statutes\)](#)