



Policy Area: **Internal Control**

Title: Internal Control Standards

Effective Date: 7/1/2008

Authority: North Carolina General Statute §143D-6 provides that “The State Controller, in consultation with the State Auditor, shall establish comprehensive standards, policies, and procedures to ensure a strong and effective system of internal control within State government.”

Policy: State agencies will adopt the Internal Control – Integrated Framework (the COSO Framework) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), guidance titled Internal Control over Financial Reporting – Guidance for Smaller Public Companies, issued by COSO, and Control Objectives for Information and related Technology (COBIT) issued by the Information Systems Audit and Control Association (ISACA) and the IT Governance Institute (ITGI). All state agencies will use the COSO Framework, COSO guidance, and COBIT in its annual assessment and evaluation of internal control as interpreted and applied in guidance issued by the State Controller.

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