

STATE STATUTE

§ 143B-426.35. Definitions.

As used in this Part, unless the context clearly indicates otherwise:

- (1) "Accounting system" means the total structure of records and procedures which discover, record, classify, and report information on the financial position and operating results of a governmental unit or any of its funds, balanced account groups, and organizational components.
- (2) "Office" means the Office of the State Controller.
- (3) "State agency" means any State agency as defined in G.S. 147-64.4(4).
- (4) "State funds" means any moneys appropriated by the General Assembly, or moneys collected by or for the State, or any agency of the State, pursuant to the authority granted in any State laws. (1985 (Reg. Sess., 1986), c. 1024, s. 1; 1991, c. 542, s. 13.)

§ 147-64.4. Definitions.

The words and phrases used in this Article have the following meanings:

- (1) "Audit". – An independent review or examination of government organizations, programs, activities, and functions. The purpose of an audit is to help ensure full accountability and assist government officials and employees in carrying out their responsibilities. The elements of such an audit are:
 - a. Financial and compliance: to determine whether financial operations are properly conducted, whether the financial reports of an audited entity are presented fairly, and whether the entity has complied with applicable laws and regulations; and,
 - b. Economy and efficiency: to determine whether the entity is managing or utilizing its resources (such as personnel and property) in an economical and efficient manner and the causes of any inefficiencies or uneconomical practices, including inadequacies in laws and regulations, management information systems, administrative policies and procedures, or organizational structures; and,
 - c. Program results: to determine whether the desired results or benefits are being achieved, whether the objectives established by the General Assembly or other authorizing body are being met, and whether the agency has considered alternatives which might yield desired results at lower costs.
 - d. An audit may include all three elements or only one or two. It is not intended or desirable that every audit include all three. Economy and efficiency and program result audits should be selected when their use will meet the needs of expected users of audit results.
- (2) "Accounting system". – The total structure of records and procedures which discover, record, classify, and report information on the financial position and operating results of a governmental unit or any of its funds, balanced account groups, and organizational components.
- (3) "Federal agency". – Any department, agency, or instrumentality of the federal government and any federally owned or controlled corporation.
- (4) "State agency". – Any department, institution, board, commission, committee, division, bureau, officer, official or any other entity for which the State has oversight responsibility, including but not limited to, any university, mental or specialty hospital, community college, or clerk of court. (1983, c. 913, s. 2; 1987, c. 564, s. 31.)