



Office of State  
Controller  
Financial Conference  
State Auditor's Update

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Unbiased

Irrefutable

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OSC Financial Conference  
Objectives

- Refresh of Office of State Auditor's (OSA) Purpose
- Discussion of Vision for Next 3 Years
- Discussion of the Strategy for New Vision
- Discussion of How New Vision Affects Agencies

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## OSC Financial Conference Why OSA

- \$46B – Spent Annually to Run State Government
  - Sources are Tax Payers
  - Many Different Needs
- GS 147-64, Article 5A
  - Requires Independent/Objective Evaluation



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## OSC Financial Conference What Does OSA Do?

### • GS 147-64.6(b)

#### OSA Independently Examine/Make Findings of Fact

- 1) Establish Adequate Operating/Administrative Procedures & Practices
- 2) Providing Financial/Other Reports, Disclose Fairly/Promptly All Information Show Nature/Scope of Programs and Activities & Have Established Bases For Evaluation Programs & Operations
- 3) Promptly Collecting/Depositing/Properly Accounting for Revenues Receipts



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## OSC Financial Conference

### What Does OSA Do?

#### •GS 147-64.6(b) cont'd

#### OSA Independently Examine/Make Findings of Fact

- 4) Conducting Programs/Activates & Expending Funds in Faithful/Efficient/Economical Manner & in Compliance w/Laws
- 5) Determining Authorized Activities/Programs “Effectively” Serve Intent/Purpose Of GA and Federal Law
- 6) Adhering to Statutory Requirements
- 7) Not Engaging in Misappropriation/Mismanagement/Waste, Fraud or Violation of Law

## OSC Financial Conference

### State Auditor's Update

#### POLLING QUESTION #1

## OSC Financial Conference

### What Does OSA Do?

- **Financial Statement Audits**
  - Opinion on the Numbers/Account Balances/Classifications
- **Audits of Federal Grants (\$21B)**
  - Compliance w/ Federal Law for Grant
- **Performance Audits**
  - Effectiveness of Programs/Wasteful Spending
- **Information Technology Audits (ITGCs)**
  - Security
- **Investigative Audits**



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## OSC Financial Conference

### Who Do We Do What We Do, To?

- **NC State Government**
  - All Types of Audits
- **Universities**
  - Financial Statement Audits
  - Compliance w/ Federal Law for Grants
- **Community Colleges**
  - Financial Statement Audits
  - Compliance w/ Federal Law for Grants
- **Clerks of Courts**
  - Financial/Compliance
- **Investigative Audits**
  - All the Above
  - Any Organization that Receives State Funds/Federal Pass-thru



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## OSC Financial Conference

- Focus – Financial Statement Audits/Federal Grants
  - Majority of OSA Resources Spent
- What Do They Provide?
- Who Are the Users?
- Important Audits!
- Impactful?

## OSC Financial Conference OSA Update

### Impactful Audits

Audits, Whose Recommendations if Implemented, Directly Affect the Lives of North Carolina Citizens by Improving State Government Operations and Ensuring Government Programs and Services are Meeting Their Intended Legislative Purpose and Maximizing Their Potential.

## OSC Financial Conference State Auditor's Update

### POLLING QUESTION #2



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## OSC Financial Conference OSA Mission & Vision

### Mission of the Office of the State Auditor

We are the State's Independent Auditor. We provide unbiased and irrefutable audit and investigative reports so Stakeholders can make informed decisions, hold entities accountable, and ensure good stewardship of public funds.



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## OSC Financial Conference OSA Mission & Vision

### Current Vision:

To protect the future of North Carolinians by devoting the majority of OSA resources toward eliminating wasteful government spending and improving government services.



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## OSC Financial Conference OSA Mission & Vision

### Prior Vision:

The Office of the State Auditor seeks to be a highly respected, professional audit organization that makes a difference in state government. We want highly competent employees who lead successful careers while maintaining work/life balance and fulfilling personal lives.



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## OSC Financial Conference OSA Mission & Vision

### Prior Vision:

The Office of the State Auditor seeks to be a highly respected, professional audit organization that makes a difference in state government. We want highly competent employees who lead successful careers while maintaining work/life balance and fulfilling personal lives.



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## OSC Financial Conference OSA Mission & Vision-Moving Forward

### How Does This Affect You.....

### Agencies/Universities/Community Colleges etc.:

- More Performance Audits (Incl. IT)
  - Impact - \$
  - Not Just About Accounting
- More Data Analytics Driven Work
  - Reliable/Accurate/Complete Data
- Findings



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## OSC Financial Conference

### What Does OSA Do?

#### •GS 147-64.6(b)

#### OSA Independently Examine/Make Findings of Fact

- 1) Establish Adequate Operating/Administrative Procedures & Practices - **Performance**
- 2) Providing Financial/Other Reports, Disclose Fairly/Promptly All Information, Show Nature/Scope of Programs and Activities & Have Established Bases For Evaluation Programs & Operations - **Performance**
- 3) Promptly Collecting/Depositing/Properly Accounting for Revenues Receipts - **Financial**



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## OSC Financial Conference

### What Does OSA Do?

#### •GS 147-64.6(b) cont'd

#### OSA Independently Examine/Make Findings of Fact

- 4) Conducting Programs/Activities & Expending Funds in Faithful/Efficient/Economical Manner & in Compliance w/Laws - **Performance/Grant Audits**
- 5) Determining Authorized Activities/Programs "Effectively" Serve Intent/Purpose Of GA and Federal Law - **Performance**
- 6) Adhering to Statutory Requirements – **Financial/Grant**
- 7) Not Engaging in Misappropriation/Mismanagement/Waste, Fraud or Violation of Law - **Investigations**



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## OSC Financial Conference Team Effort

- Everyone Plays a Part
- Vision is Agency-Wide
- OSA Divisions
  - Financial
  - Performance
  - IT
  - Investigative
  - HR
  - Professional Development
  - Budget & Accounting
  - Technology Information Systems Management (TIMS)
  - Legal
  - Quality Assurance

## OSC Financial Conference State Auditor's Update

### POLLING QUESTION #3

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State Auditor's Update

# Questions

