

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

SESSION LAW 2009-208  
HOUSE BILL 543

AN ACT TO REPEAL THE PENALTY FOR COMMUNITY COLLEGE AUDIT  
EXCEPTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 115D-5(m) reads as rewritten:

"(m) The State Board of Community Colleges shall maintain an education program auditing function that conducts an annual audit of each community college operating under the provisions of this Chapter. The purpose of the annual audit shall be to ensure that college programs and related fiscal operations comply with State law, State regulations, State Board policies, and System Office guidance. The State Board of Community Colleges shall require auditors of community college programs to use a statistically valid sample size in performing program audits of community colleges. All education program audit findings shall be forwarded to the college president, local college board of trustees, the State Board of Community Colleges, and the State Auditor. ~~The State Board shall assess a twenty-five percent (25%) fiscal penalty in addition to the audit exception on all audits of both dollars and student membership hours excepted when the audit exceptions result from nonprocessing errors.~~"

**SECTION 2.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 18<sup>th</sup> day of June, 2009.

s/ Walter H. Dalton  
President of the Senate

s/ Joe Hackney  
Speaker of the House of Representatives

s/ Beverly E. Perdue  
Governor

Approved 12:15 p.m. this 26<sup>th</sup> day of June, 2009

