

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011**

**SESSION LAW 2012-87
SENATE BILL 661**

AN ACT TO DIRECT THE STATE AUDITOR TO AUDIT THE ROANOKE ISLAND COMMISSION, INCLUDING FUNDS RECEIVED BY FRIENDS OF ELIZABETH II, INC.

The General Assembly of North Carolina enacts:

SECTION 1. The State Auditor shall conduct an investigative audit of the Roanoke Island Commission, which is a State commission that receives State funds. As part of its investigation, the Auditor shall carefully examine all funds that have been received by Friends of Elizabeth II, Inc., (Friends) from the Roanoke Island Commission or any other State entity, regardless of the characterization by any party of the nature of a transfer, and determine the following:

- (1) The balance of such funds still held by the Friends.
- (2) The interest earned on such funds and the rate of interest on such funds, both as of the time of the audit and over the period in which the Friends have held such funds.
- (3) The expenditure of funds received by the Friends from the Roanoke Island Commission or any other State entity.
- (4) Whether such funds have been used by the Friends for the purposes for which they were transferred.
- (5) Whether such funds were properly transferred by State entities to the Friends in accordance with the law.
- (6) Whether the use of such funds has been properly reported in accordance with the law.

The Auditor shall make recommendations based on the Auditor's findings and shall publish a report describing all issues investigated, a summary of the contents of documents examined and interviews conducted, all other findings, and the recommendations.

As part of its audit, the Auditor shall also review any memorandums of agreement, or similar arrangements, between the Roanoke Island Commission and the Friends and shall make recommendations as to what should be included in such an agreement between the Roanoke Island Commission and the Friends.



SECTION 2. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 27th day of June,
2012.

s/ Walter H. Dalton
President of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

s/ Beverly E. Perdue
Governor

Approved 1:23 p.m. this 28th day of June, 2012