

1 b. Amounts received, disbursed, or otherwise handled on behalf of
2 the federal government or the State. In order to determine that
3 payments to providers of social and medical services are legal
4 and proper, the providers of such services will give the Auditor,
5 or his authorized representatives, access to the records of
6 recipients who receive such services.

7 (3) The Auditor shall, for the purpose of examination and audit authorized
8 by this act, have the authority, and will be provided ready access, to
9 examine and inspect all property, equipment, and facilities in the
10 possession of any State agency or any individual, private corporation,
11 institution, association, board, or other organization which were
12 furnished or otherwise provided through grant, contract, or any other
13 type of funding by the State of North Carolina, or the federal
14 government.

15 (4) All contracts or grants entered into by State agencies or political
16 subdivisions shall include, as a necessary part, a clause providing
17 access as intended by this section.

18 (5) The Auditor and his authorized agents are authorized to examine all
19 books and accounts of any individual, firm, or corporation only insofar
20 as they relate to transactions with any agency of the State."

21 Section 2. G.S. 147-64.6(d) reads as rewritten:

22 "(d) Reports and Work Papers. – The Auditor shall maintain for 10 years a
23 complete file of all audit reports and reports of other examinations, investigations,
24 surveys, and reviews issued under his authority. Audit work papers and other evidence
25 and related supportive material directly pertaining to the work of his office shall be
26 retained according to an agreement between the Auditor and State Archives. To promote
27 intergovernmental cooperation and avoid unnecessary duplication of audit effort, and
28 notwithstanding the provisions of G.S. 126-24, pertinent work papers and other
29 supportive material related to issued audit reports may be, at the discretion of the Auditor
30 and unless otherwise prohibited by law, made available for inspection by duly authorized
31 representatives of the State and federal government who desire access to and inspection
32 of such records in connection with some matter officially before ~~them~~ them, including
33 criminal investigations.

34 Except as provided above, or upon subpoena issued by a duly authorized court or
35 court official, audit work papers shall be kept confidential."

36 Section 3. This act is effective when it becomes law.