



LOCAL GOVERNMENT COMMISSION  
STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
GREGORY C. GASKINS, DEPUTY TREASURER

The “**Discussion of the Single Audit in North Carolina**” is currently being updated. If you have questions concerning Single Audit in North Carolina, please contact James Burke at [james.burke@nctreasurer.com](mailto:james.burke@nctreasurer.com) or 919-814-4601.

For questions related to single audits reporting for Not-for-profits contact OSBM at [Grants-OSBM@osbm.nc.gov](mailto:Grants-OSBM@osbm.nc.gov). or refer to <https://www.osbm.nc.gov/management/grants>

### **Audit requirements for local governments and public authorities in North Carolina**

G.S. 159-34 states that each unit of local government and public authority must have its accounts audited as soon as possible after the close of each fiscal year. When specified by the Secretary of the Local Government Commission (LGC), the audit must evaluate the performance of a unit of local government or public authority with regard to compliance with all applicable federal and State agency regulations. In accordance with this statute and regulations set by the Secretary of the Local Government Commission, local governments and public authorities are subject to the following audit requirements:

All local governments and public authorities subject to G.S. 159, The Local Government Budget and Fiscal Control Act, must have an audit performed in accordance with generally accepted auditing standards (GAAS).

Local governments and public authorities that expend \$100,000 or more in combined federal or State financial assistance must have an audit performed in accordance with Government Auditing Standards (GAGAS).

In accordance with federal requirements, beginning in fiscal years ending after December 15, 2015, local governments and public authorities that expend \$750,000 or more in federal financial assistance must have a single audit performed. Local governments and public authorities with fiscal years ending June 30, 2016 or later that have expended \$500,000 or more in State financial assistance must have a single audit performed in accordance with the State Single Audit Implementation Act. <sup>1</sup>

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<sup>1</sup> Changes reflect requirement of the U.S. Office of Management and Budget Title 2 U.S. Code of Federal Regulations (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards: Final Rule* (Uniform Guidance) that supersedes the audit requirements of OMB Circular No. A-133, *Audits of States, Local Governments, and Non-Profit Organization*