

LOCAL GOVERNMENT COMMISSION STATE AND LOCAL GOVERNMENT FINANCE DIVISION SHARON EDMUNDSON, DEPUTY TREASURER

Instructions for Submission of Audit Invoices

For assistance please contact: LGCInvoice@nctreasurer.com | (919) 814-4294

North Carolina General Statute 159-34 requires that: "The finance officer shall file a copy of the audit report with the [Local Government Commission] secretary, and shall submit all bills or claims for audit fees and costs to the secretary for his approval." These instructions are provided to assist units in preparing and submitting audit invoices for approval and to facilitate the review and approval of invoices.

Invoice Contents

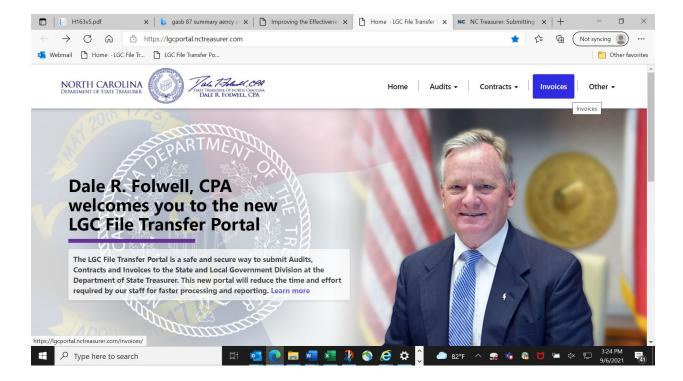
Please ensure that your invoice includes the following.

- General information
 - Audit firm
 - Unit name
 - Invoice date (may not be dated before date of contract or in the future)
 - Invoice number (if applicable)
- Fee
 - o If invoice is for an audit report, indicate fiscal year of the report
 - o If invoice is for an agreed upon procedure (AUP), indicate "pension" or "special"
 - o Indicate if the invoice is a final invoice or a progressive invoice by clearly labeling invoiced fee as "final" or as "progress", "partial", etc.
 - If the invoice is a progressive invoice, please ensure that the total of the current invoice plus any previously submitted invoices does not exceed 75% of the prior year's total invoices submitted for the unit's audit

Invoice Submission

All audit invoices should be submitted to the LGC for approval via the LGC File Transfer Portal.

- Access the LGC File Transfer Portal at https://lgcportal.nctreasurer.com/
- o Select "Invoices".
- o Complete the information required on the upload form, attach your PDF file and submit.
- o Confirmation emails will be sent to all email addresses provided in the upload form.



LGC Review and Approval

- Interim invoices will be reviewed to ensure:
 - Invoices in total are not more than 75% of the prior year invoices submitted for the unit's audit
 - o Invoices are not dated before the contract date or in the future
- Final invoices will only be approved after the financial audit and any compliance audits have been reviewed by LGC Staff
- If the invoice is approved, LGC staff will email the auditor the PDF invoice marked "Approved" with the approval date
- If the invoice cannot be approved (for a reason other than pending LGC staff review of audit report) an email will be sent to the auditor stating what action(s) must be taken to gain approval

Invoice Payment

- The auditor presents the invoice marked with LGC approval to the unit of government for payment in accordance with G.S. 159-34.
- From <u>20 NCAC 03 .0505</u>: "All invoices for services rendered in an audit engagement as defined in 20 NCAC 3 .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law."

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