

20 NCAC 03 .0505 AUDIT BILLINGS

(a) All invoices for services rendered in an audit engagement as defined in Rule .0503 of this Section shall be submitted to the Secretary for approval before any payment is made. Payment before approval is a violation of law pursuant to G.S. 159-34(a).

(b) Invoices shall be approved only under the following circumstances:

- (1) there is a valid contract;
- (2) the report of audit has been received;
- (3) the audit billing conforms to the requirements of the contract and of this Section;
- (4) the audit billing shows all calculations necessary to compute the fee from the rates and terms shown in the contract; and
- (5) there are no circumstances known to the Secretary indicating that the audit report may fail to conform to the requirements of the contract and of this Section.

Notwithstanding the above, the Secretary may approve interim billings up to a maximum of 75 percent of the billings for the last annual audit of the subject unit submitted to the Secretary. Provided however, that the Secretary or a deputy secretary may approve a higher or lower amount if he or she finds that such would be more equitable under a particular set of circumstances.

*History Note: Authority G.S. 159-3(f); 159-34;
 Eff. February 1, 1976;
 Readopted Eff. September 23, 1977;
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. January 9,
 2018;
 Amended Eff. November 1, 2020.*