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## COMPTROLLER'S MESSAGE...

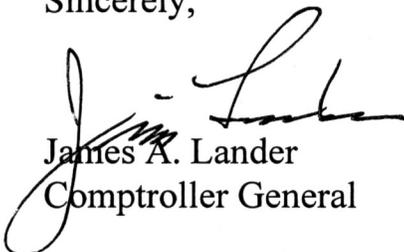
### MANAGING UNDER STRESS

In times of stress, we often turn to the past to affirm our values and purposes. America has had that experience during the past year as terror penetrated our shores with unspeakable consequences. In the wake of the events of September 11, 2001, this nation has had a fight on its hands against elusive enemies and against persistently troubling conditions.

This report chronicles the financial experience of South Carolina during its fiscal year ended June 30, 2001. Even though the period ended prior to the terrorist attacks, the nation's—and the State's—economic pace had begun to slow. Through both good and difficult economic times, South Carolina has continued to embrace the utmost in responsible, conservative policies and to retain the soundest of strategies in its stewardship of public funds.

This report reminds readers that South Carolina respects and honors its traditions of dutiful service to the nation and dutiful management of financial resources, whatever economic conditions may exist. It is, we believe, not only a judicious exercise of public policy; it is also the quickest means by which we can restore stability and upward momentum to the economy of our state and nation.

Sincerely,



James A. Lander  
Comptroller General